Daily Report

Latin America

FBIS-LAT-91-015
Wednesday
23 January 1991

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FBIS-LAT-91-015 *23 January 1991*

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Group To Discuss Gulf in 'Emergency' Meeting

PA2201001391 Mexico City NOTIMEX in Spanish 1740 GMT 21 Jan 91

[Text] Caracas, 21 Jan (NOTIMEX)—Venezuelan Foreign Minister Reinaldo Figueredo reported today that the Group of Rio will hold an emergency meeting at the ministerial level in Caracas on 28 and 29 January.

Figueredo said that President Carlos Andres Perez was sending communiques to the member countries (Argentina, Brazil, Colombia, Chile, Ecuador, Mexico, Peru, Uruguay, and Venezuela) to draft the agenda for the meeting.

The agenda will include the region's energy and economic security in view of the worsening of the war in the Persian Gulf, the foreign minister noted.

Colombia and Venezuela are involved in diplomatic efforts among the group's members to meet at the highest level to study possibilities for interregional cooperation in view of the war in the Middle East.

Art Education Meeting Closes, Condemns Gulf War

FL1901020091 Havana Radio Rebelde Network in Spanish 0000 GMT 19 Jan 91

[Report by Guillermo Bernard]

[Text] Armando Hart Davalos, Politburo member and Cuban culture minister, has delivered a speech during the closing ceremony of the Third Latin American Meeting of Art Education that was held at the Palace of Conventions.

Herewith is a communique that condemns the Yankee aggression in the Persian Gulf. This communique was approved by the delegates of the 15 Latin American, European, and African countries attending this meeting.

The communique was read by Marisol Ferrari, the Venezuelan delegate.

[Begin Marisol Ferrari recording] In view of the beginning of the war in the Persian Gulf, the participants of the Third Latin American Meeting of Art Education, which gathered art teachers from Latin American countries and other parts of the world, meeting in Havana, Cuba from 15 to 18 January 1991, believe it is their categorical duty to express the following:

We repudiate this senseless war which poses a threat to humanity and which shows the failure of diplomacy and of those who have chosen the path of genocidal violence instead of resorting to reason and dialogue. Under the present circumstances, this will open lasting wounds that will have predictable consequences.

We attribute the main responsibility to the one that has fired the first shot: the U. S. Government. It has done so without considering the impact of such event on the human race in view of the nuclear and chemical arsenals that may be used irresponsibly.

We call for an end to this suicidal war and we state that it is imperative to tread the paths of peace in order to develop culture, art, and the integral development of man. [end recording]

Weekly Roundup of Drug Seizures, Arrests

Central America

PA2101010691

[Editorial report] Following is a compilation of reports on drug seizures and arrests related to drug trafficking from 14 to 20 January 1991. Source follows in parentheses after each item.

Panama

Authorities of the San Miguelito District Public Force and the Judicial Technical Police (PTJ) carried out an operation in Paraiso and arrested two taxi drivers—Alfredo Gomez Valenzuela and Gabriel Olivares Samaniego—for the possession of seven packages of pure cocaine found in their cabs. The drug has an estimated value of more than $200,000. (Panama City Circuito RPC Television in Spanish 1730 GMT 16 Jan 91)

A joint operation carried out by the PTJ and the U.S. DEA has resulted in the seizure of 450 kg of cocaine from the Cali Cartel with an estimated value of $13.5 million. In addition, 15 people were arrested in connection with this in the United States and Panama. PTJ Deputy Director Renato Famiglietti announced this resounding victory and disclosed that this was the result of four months of hard work. This newspaper was told that of the 450 kg of cocaine, 150 kg was seized in Panama. (Panama City EL SIGLO in Spanish 17 Jan 91 p 33)

Panamanian authorities yesterday seized 19 kg of cocaine with a value of $720,000 as it was going to be shipped to the United States through Servi Carga, which reported the crime. A Servi Carga employee found two boxes that looked suspicious, they were opened, and customs officials found that 19 packages of cocaine had been hidden in a shipment of blue jeans, the destination of which was the Julio Fulman Corporation in Miami. (Panama City LA PRENSA in Spanish 19 Jan 91 p 12a)

South America

PY2201182891

[Editorial report] Following is a compilation of reports on drug seizures and arrests related to drug trafficking from 26 Dec 1990 to 19 Jan 1991. Source follows in parentheses after each item.

Argentina

In a news conference, a La Plata federal judge and the local Federal Police chief reported that in several operations in La Plata and greater Buenos Aires, the Federal

Police confiscated 12 kg of pure cocaine and arrested seven individuals, including three Spaniards and three Bolivians. Thus, the police broke up a gang that operated between Bolivia and Spain. (Buenos Aires LA PRENSA in Spanish 28 Dec 90, Second Section, p 3)

The Federal Police of Jujuy Province arrested Bolivian Juan Carlos Funte, 30, on a train travelling between Pumahuasi and Jujuy. The man was carrying 3.5 kg of cocaine hidden in the false bottom of his suitcase and in his clothes. (Buenos Aires TELAM in Spanish 2145 GMT 29 Dec 90)

Salta Police arrested two men who were transporting nearly 1,300 liters of ether and acetone, which are chemical components for refining cocaine. They were bound for the city of Pocitos, north of Salta Province, from where a woman would distribute them to cocaine laboratories in southern Bolivia. (Buenos Aires TELAM in Spanish 1958 GMT 19 Jan 91)

Bolivia

Commander Colonel Flavio Valdez, commander of the Cochabamba Special Antinarcotics Force (FELCN), has reported that in different operations in Cochabamba Department during 1990 his force confiscated 6.6 tons of pure cocaine, 31.9 liters of "rich water" which contained approximately 9.1 tons of cocaine, 19,156 liters of diesel oil, 26.8 tons of lime, 2.2 tons of sodium bicarbonate, 2.3 tons of sulfuric acid, 595 liters of kerosene, 1.3 tons of ammonia, 783 kg of permanganate, and 14 pounds of coca leaves. He also said that the FELCN destroyed 456 cocaine laboratories and 951 maceration pits during that same period. (La Paz PRESENCIA in Spanish 29 Dec 90 Second Section p 1)

Brazil

On the evening of 27 December, agents of the Federal Police Antidrug Department confiscated 20 kg of cocaine from a car at 389 Guaiba Street, Acari slum, Rio de Janeiro. The drugs belonged to drug trafficker Wilson Ferreira Neves, known as Xulipao. The driver of the car said he had picked up the drugs from a Bolivian known as Indio in Campo Grande, western Rio de Janeiro. Xulipao was supposed to distribute the drugs in the Rio de Janeiro slums of Acari, Encontro, Casa Branca, Andarai, and Chacara do Ceu. (Rio de Janeiro O GLOBO in Portuguese 29 Dec 91 p 14)

The Sao Paulo Police have seized 3.4 kg of pure cocaine worth approximately 13 million cruzeiros. Diucio Flores, the driver, and Francisco de Assis Santana were caught red-handed in the act of making a drug transaction at a gasoline station on the Tiete road. The cocaine was first brought from Corumba, Mato Grosso do Sul, on the border with Bolivia, in a grain truck. The drugs were later hidden in a timber cargo. (Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 8 Jan 91)

Chile

Iquique—Carabineros from Colchane arrested a man who was carrying 4.5 kg of pure cocaine in his van. The man, a Bolivian named Felino Gomez Mamani, 26, was arrested on the A-5 highway, near the Escapina turnoff, 20 km from Colchane. He said he only knew that the drugs came from Bolivia. (Santiago LA TERCERA in Spanish 26 Dec 91 p 30)

Investigative Police personnel arrested Luis Vilches Chamaca, 45, a farmer with close connections with a drug trafficking gang. Vilches Chamaca was carrying five kg of pure cocaine as he was walking by a place known as La Pampa. (Santiago EL MERCURIO in Spanish 29 Dec 90 p C 9)

Policemen from Iquique arrested Andres Alegria Vargas, 42, who was carrying 1.18 kg of cocaine. The man said the drugs came from Bolivia. (Santiago EL MERCURIO in Spanish 31 Dec 90 p C 6)

Carabineros have seized 2,493 grams of cocaine worth 65 million pesos and have arrested six persons who were in charge of selling the drugs in Chile and in foreign countries.

The international gang, which was made up of five Chileans and a Bolivian, began operating approximately one month ago. The group brought the cocaine from Bolivia and Argentina for distribution in Chile and for shipping it to cities like Zurich, Switzerland, and Lisbon, Portugal.

The police reported that the drug was smuggled into Chile by Bolivian Maximiliano Medrano, who swallowed cocaine capsules wrapped in pieces of surgical gloves and then came to Chile by plane. Once in Chile, Medrano delivered the drug to Chilean Pedro Teillery, who had been arrested in Rio de Janeiro in 1989 on charges of involvement in the trafficking of four kg of cocaine to Italy. (Santiago Television Nacional de Chile Network in Spanish 1700 GMT 16 Jan 91)

Paraguay

Narcotics Directorate personnel arrested six men and confiscated one kg of cocaine and one kg of pressed marijuana at a house in Asuncion's Chacarita slum. The drugs came from the city of Pedro Juan Caballero. (Asuncion HOY in Spanish 18 Jan 91 p 21)

Cuba

PRENSA LATINA Claims Troops Die in Brawl

PA2301022391 Havana International Service in Spanish 2300 GMT 22 Jan 91

[Text] At least 100 soldiers died and several were wounded during a brawl between U.S. troops and Muslim forces comprising the multinational force settled in Saudi Arabia, according to reports from the PRENSA LATINA news agency.

War Called Example of 'Imperialist Essence'

PA2201141891 Havana International Service in Spanish 0100 GMT 22 Jan 91

["Our America" commentary read by Manolo Ortega]

[Text] If the U.S. Government were to set aside the use of force and its meddling in other states' affairs, we would have to begin reassessing our analyses, because this would perhaps be a sign that that government was losing its imperialist essence.

Unfortunately, the bloody intervention in the Persian Gulf has reaffirmed the empire's cruelest characteristic: to declare war on countries thousands of miles away from its territory, to secure its domains, and to make shows of force that are increasingly anachronistic.

More than a century ago, Simon Bolivar, the great American liberator, said that it looks like the United States has been chosen by fate to plague America with misery in the name of freedom. At that time, the ambition of the United States was directed at its closest neighbors. Now, the U.S. intervention is worldwide; however, for Latin America, the most recent case is the Panamanian case, although the Dominican Republic, Grenada, and other nations have not escaped the U.S. boot.

Everybody recalls the anxiety that afflicted all the progressive people in the world when the U.S. Administration initiated its campaign against the Panamanian Government, a campaign directed at giving shape to a state of mind favorable to the interests of the Pentagon and the White House, so that a direct intervention could later be seen as an act of justice.

The United States did not take long implementing its plan. Propaganda was followed by acts of sabotage, destabilization work, covert intervention, and then, by the dropping of bombs and 82d Airborne Division troops—experienced in subduing with bullets—on the Panamanian people.

Good people wonder for how long the people of the world will have to put up with interruptions of this nature.

The United States unleashes war in places where peaceful solutions are possible and afterwards forgets that reconstruction aid is necessary. Panama is a good example of this. President Guillermo Endara has received very little for his decision to be sworn in as president on a U.S. base: His people are still enduring the consequences of the 1989 invasion.

There is no comparison between the war power used in the Persian Gulf and that used in Panama, because in Panama the war actions were of a lesser scale. It must be pointed out, however, that the methods used were the same.

Now there is this other war. The United States did not hesitate in being the first one to shoot, not caring about the consequences. No one knows when or how this war will end. Its severe consequences will be felt fully by all the American nations.

Panama, the Dominican Republic, Puerto Rico, and now the far-away Persian Gulf, make evident, now more than ever, that wars only bring pain to the people, stop their development, and bring deadly consequences for mankind as a whole.

Mexican Ambassador on Use of Force in Iraq

PA2201043691 Mexico City NOTIMEX in Spanish 1916 GMT 21 Jan 91

[Text] Mexico City, 2 Jan (NOTIMEX)—Mario Moya Palencia, Mexican ambassador to Cuba, has said that the United Nations failed when it allowed the United States and its allies to use force instead of forming an army under UN command.

According to today's edition of the newspaper EXCELSIOR, the diplomat added that if they had taken all these measures, war would not have occurred. He added that "the media is misused."

Moya Palencia said that it would have been preferable to have complied with the UN charter and created a UN force. Other measures were adopted, however.

The diplomat said that the conflict was begun by the Iraqi Government, which invaded a defenseless country. Iraq justified its action, arguing that Kuwaiti territory has historically belonged to them. Iraq also demanded a solution to the Arab-Israeli conflict as a key for resolving all the conflicts in the region.

Regarding the international economic order, he said that it cannot be violated with impunity. He said "it is inconceivable to have exclusive economic enclaves," adding that any atttempt to blockade a country as part of an international effort is absurd.

The ambassador said that in the wake of the changes in the Soviet Union and Eastern Europe, the Cubans need Mexico more, yet at the same time Mexico is implementing a policy of internationalism.

Regarding Cuba, he emphasized that "we should have paid attention to it before...but we were undecided...."

Moya Palencia added that Cuba, along with Great Britain and Japan, is of worldwide importance, and he underscored that it is unnecessary to attempt to isolate an island which, due to its geographical characteristics, must first overcome its inherent isolation.

Moya Palencia said that after two months on the island he can see where this will be a difficult year for Cuba because it will be deprived of Soviet supplies. He said, however, that Cuba is interested in associating with economies with business interests, such as Mexico.

USSR To Maintain Same Supply Level in '91

FL2101183591 Havana Radio Progreso Network in Spanish 1725 GMT 21 Jan 91

[Text] The Soviet Union will maintain the same level of oil and grain supplies during 1991. This was stated in an interview published today by the newspaper GRANMA, official organ of the Communist Party of Cuba Central Committee, in which Foreign Trade Minister Ricardo Cabrisas gave full details of the agreements signed.

During his conversation with the GRANMA reporter, Ricardo Cabrisas explained that top priority was given to fuel, foodstuffs, basic raw material, and spare parts that are related to the main development programs in the country. Cabrisas also explained that Cuba maintained the traditional supply of goods to the USSR such as sugar, nickel, citrus, tobacco, some caramel, and other yet-to-be determined goods.

The foreign trade minister said foodstuffs and basic raw material are practically at the same level as in 1990 except in some cases in which the order was reduced to bring it in line with the special period situation and the purchasing power created by our exports.

Supreme Soviet Official Praises Trade Relations

PA1901160191 Havana International Service in Spanish 0000 GMT 19 Jan 91

[Text] An official of the USSR Supreme Soviet has denied in Moscow that relations betwen the USSR and Cuba are merely political. He said that it was beneficial to maintain trade between the two countries. (Kin Yen Hun), member of the Committee for International Affairs of the Supreme Soviet, who recently visited Havana, recalled that the USSR will obtain medicine and medical equipment in Cuba. He said that the Cuban people's acceptance of the Soviet internationalist fighters and the child victims of the Chernobyl accident is a generous gesture.

He said that the USSR will continue to furnish spare parts to cover the needs of the Cuban industry.

Trade Minister Cabrisas Ends Visit to PRC

FL1801152591 Havana Tele Rebelde Network in Spanish 1100 GMT 18 Jan 91

[Text] Cuban Foreign Trade Minister Ricardo Cabrisas expressed satisfaction for the courtesies he had been shown in China. Cabrisas, who headed the Cuban delegation to the third meeting of the China-Cuba Intergovernmental Commission for Economic and Trade Relations, made these statements at the end of his one-week visit [words indistinct] for the 1991 to 1995 five-year period and the trade protocol for 1991. In China Cabrisas also made a visit to the Shenzhen special economic development zone in southern China.

New Method Implemented To Collect Electric Bills

FL2101190191 Havana Tele Rebelde Network in Spanish 1800 GMT 21 Jan 91

[Text] [Announcer Gretchen Galindo] A previous report did not clarify why there were so many people who are behind in their electric service payments in spite of the fact that the Penal Code sanctions the stealing of energy with sentences between three to nine months of imprisonment or with a fine of 270 points or both. The following report gives us the awaited response.

[Begin Miguel Angel Rivalca recording] The Electric Enterprise received for some time the direct cooperation of the prosecutor's office in a drive to collect from those who are overdue in their payments. At that time, they talked with the people; some responded and others did not. Fines were handed out to those who were reluctant to pay and they paid immediately. Nevertheless, many of those who were fined continue to owe large amounts of money to the Electric Enterprise offices.

Now the municipal prosecutor's offices are using a different method. The enterprise's officials are the ones who should report those cases to the National Revolutionary Police station so that they are processed and later tried at the tribunals.

Electricity is a good that is used first and paid later. Some people find it hard to pay. It would not occur to anyone to go to a restaurant, eat, and walk out without paying and not expecting to be sanctioned. There is no difference between stealing a good and electricity. A crime is committed in both cases. Especially, if one considers that oil is used to generate that electricity. People do not pay their electric bill because they are careless. Time makes them forget and bills amounting hundreds of pesos are accumulated. The solution is to pay on time. [end recording]

Crombet Meets Returning Internationalists

FL1901185091 Havana Tele Rebelde Network in Spanish 1800 GMT 19 Jan 91

[Text] Another group of Cuban soldiers has arrived in Havana after completing an internationalist mission in

the People's Republic of Angola. With patriotic fervor and waving a Cuban flag, the Revolutionary Armed Forces combatants got off the airplane. They were met at the airport by Council of Ministers Vice President Jaime Crombet, and Brigade Generals Efigenio Amejeiras and Sancho Valladares, as well as other officials.

Ambassador Visits Medical Brigade in Burkina Faso

FL2201033091 Havana Radio Reloj Network in Spanish 0312 GMT 22 Jan 91

[Text] Cuban Ambassador to Burkina Faso Remigio Ruiz Vergara has visited a Cuban medical brigade that is carrying out an internationalist mission at the (Tegawa) Hospital in the provincial capital of (Poni), located near the borders with Ivory Coast and Ghana. During the tour he made of the hospital facilities, he confirmed the successes of the doctors in that area, since they have managed to reduce infant mortality and other indicators in the surgical, pediatric, and gynecological specialties.

The brigade, which is made up of five doctors, expressed its willingness to continue to perform the tasks it has been entrusted with, while the Cuban ambassador to Burkina Faso, along with other officials, provided them with details about the special period in peacetime that is being (?experienced) in Cuba. Mayor of (Poni) [name indistinct] also expressed thanks for the [word indistinct] services the Cuban doctors are providing there.

Party Provincial Assembly Begins in Las Tunas

FL1901184091 Havana Tele Rebelde Network in Spanish 1800 GMT 19 Jan 91

[Text] The tasks of the sugarcane harvest, recovery of land for planting cane, drought, and agricultural yields have been the main topics discussed today at the morning session of the Communist Party of Cuba provincial assembly in Las Tunas. The 210 delegates also talked about the construction projects being carried out in the province, which include dams, major canals, irrigation systems, and plot drainage projects. Another point was the attention paid to workers and increasing self-sufficiency at the seven agroindustrial complexes. The party assembly in Las Tunas is being chaired by Alfredo Jordan Morales, first party secretary in the province, and Politburo members Jose Ramon Machado Ventura, Jorge Risquet, and Julian Rizo Alvarez.

Deadline To Legalize Property Purchases Noted

FL2201141991 Havana Tele Rebelde Network in Spanish 0900 GMT 22 Jan 91

[Text] Usufructuaries in good standing and legitimate residents of a housing unit who have had six years to process the purchase of their property have until 7 February of this year as a final deadline to legalize their situation. This was announced by the National Housing Institute. The Housing Institute reported that there has been confusion over the expiration of the term to process the appropriate paperwork to purchase the house or housing unit. This can only be done by usufructuaries in good standing and legitimate residents, that is, people who have lived in the residence since before 1 January, 1985.

Egg Rationing in Havana Starts 21 Jan

FL1901161091 Havana Radio Reloj Network in Spanish 1514 GMT 19 Jan 91

[Text] The Ministry of Domestic Trade has informed the populace that starting 21 January, it has become necessary to move the distribution of eggs to the rationing system in Havana due to current high demand. At each establishment where eggs are sold, information on the number allotted to each consumer will be put on the blackboard in a visible place.

According to an article in today's edition of GRANMA, as a rule eggs will be received once a week for a minimum of four people. This measure has been adopted in order to achieve a fairer distribution so that the number per capita can be established in accordance with monthly availability and eggs will reach consumers in a more appropriate way.

Water Testing Lab Created With Swedish Aid

FL1901131391 Havana Tele Rebelde Network in Spanish 1200 GMT 19 Jan 91

[Text] A laboratory to test for environmental contaminants began operating [words indistinct] in Cienfuegos as part of the scientific and technical cooperation projects between Cuba and Sweden. The first Cuban project connected with the Swedish agency (?Sarek) for the protection of water resources began in 1981, and the work was carried out in the southern basin of the Jatibonico River in southern Sancti Spiritus Province. The new laboratory has eight plastic pools in which the precise environment prevailing in the Bay of Cienfuegos can be created in order to study each of the substances poured into those waters, their effects on the marine species living there, and the right ways of eliminating their negative effects.

New Group of Soviet Afghanistan Veterans Arrives

FL1801153791 Havana Radio Reloj Network in Spanish 1507 GMT 18 Jan 91

[Text] Twenty veterans of the war in Afghanistan from the Ukrainian and Belorussian Soviet Republics have arrived in Havana to receive highly specialized medical treatment. Rodrigo Alvarez Cambra, director of the Frank Pais Orthopedic Hospital where the combatants will be treated, welcomed them at the airport and reported that of the 190 who have come to the hospital, 31 are still there.

The prominent Cuban specialist described the cooperation between Cuba and the USSR in the health field as very productive, and announced that on 12 February 30 more Soviet veterans will arrive. With the arrival of this

new group, a total of 210 former Soviet combatants have traveled to our country to receive specialized medical treatment.

Young Chernobyl Victims Arrive

FL2101155091 Havana Tele Rebelde Network in Spanish 1455 GMT 21 Jan 91

[Text] A group of children affected by the Chernobyl accident is in our country. With the arrival of these 39 little ones, a total of 2,681 children have come to Havana to receive medical attention. A group of 121 children returned on the same flight to the Soviet Union. They were examined by Cuban specialists and received the appropriate treatment.

Antigua and Barbuda

Politician Labels Allied Attack 'Barbarism'

FL1801163091 Bridgetown CANA in English 1607 GMT 18 Jan 91

[Text] St. John's, Antigua, Jan 18, CANA—Leader of the opposition Antigua-Caribbean Libertation Movement, Tim Hector, has described the allied forces' attack on Iraq as an act of "barbarism." Hector said that while he does not support Iraq's invasion of Kuwait, the action of the U.S. and Allied Forces was "barbarism unlimited." He said it "proves Western civilization is incapable of settling any dispute without resorting to barbarism." The alliance, which includes Britain, attacked Iraq in a bid to get a withdrawal from Kuwait.

Barbados

NDP Leader Promises To 'Rescue' Economy

FL2101144091 Bridgetown CANA in English 2045 GMT 20 Jan 91

[Text] Bridgetown, Barbados, Jan 20, CANA—The National Democratic Party (NDP) of opposition leader Dr. Richard Haynes has promised to "rescue" the Barbados economy, ensure law and order, and inaugurate a new deal for young citizens of working age if elected in Tuesday's general elections. Haynes, in a party broadcast Saturday night, said the performance of the incumbent Democratic Labour Party (DLP) is well-known and puts it on the verge of losing the government.

"From the reception which my colleagues and I have been receiving during house to house canvassing and at our public meetings, I am confident that a majority of the electorate has decided to support the National Democratic Party," said Haynes, contradicting polls showing the NDP last in the three-party race.

"The Barbados electorate seems set to maintain its proud record of electing to office the party which is most capable of managing the affairs of the country efficiently," Haynes said. He said the DLP government has led the country into severe recession, failed to create opportunities for young people, and presided ove a breakdown in law and order. All these failures would receive priority attention from an NDP government, he promised.

Haynes was a DLP member of Parliament until leading a splinter group of four to form the NDP in 1989, three years after the landslide DLP victory in 1986.

"The single most important failure of the present administration has been its failure to create sufficient opportunities for young people of working age to make productive and dignifying use of their energies and talents," Haynes, a medical doctor, said.

The NDP would spend Bds 20 million dollars (one Bds dollar equals 50 cents U.S.) each year on youth projects, establish a business advisory centre for young would-be entrepreneurs, and provide increased practical training, start-up kits for skilled youths, and other incentives for youth employment. On law and order, Haynes said that despite government denials, Barbados has experienced an unprecedented deterioration in law and order and crime, and violence now threaten progress and survival of the society.

"As a matter of urgency, an NDP goverment will take all necessary steps to arrest the rapid deterioration of law and order and restore Barbados to a state in which citizens are respectful of authority and generally disposed to obey the law."

Haynes, a finance minister for part of the last term of the DLP, said the economy was the Sandiford alministration's "greatest failure." "The fiscal measures which I introduced in 1986 had revitalised the Barbadian economy and improved the standard of living of all Barbadians. All was well with the economy until it was turned around in 1988 by a government which has a natural proclivity for turning things into wrong directions."

"The economy went into a severe recession in 1990. Output of goods and services declined by well over 3 per cent and as a result the level of economic activity in 1990 is no higher than it was in 1988. All major sectors, with the exception of agriculture, declined considerably." He said revenue declined because of economic contraction and weak tax and customs administration, while government spent excessively through money printing and unauthorised borrowing from the central bank.

"... An NDP government would do far more than rescue the economy from catastrophe. It would create a higher level of economic prosperity, higher than Barbados has ever experienced."

Objectives would include full employment, adequate housing, higher incomes and productivity, a 100 dollars per week old age pension, enhanced international competitiveness, balance of payments stability, and small business support. Haynes also promised integrity legislation; a higher pensionable age and a five-year pay

freeze for parliamentarians; public service commission responsibility for civil service appointments, promotions, transfers, and discipline; and formal prime ministerial succession procedures.

The NDP incomes and productivity policies would extend to fisheries and agriculture. The sugar industry would be returned to financial viability with changes in ownership, control, and management. Tourism would be made more profitable with the help of lower property, consumption, and import taxes; favourable telecommunication charges and transportation policies; and effective promotion.

British Virgin Islands

Gulf War Said About Liberation, Not 'Conquest'

FL1801210991 Bridgetown CANA in English 2018 GMT 18 Jan 91

[Text] Road Town, Tortola, Jan. 18, CANA—The chief minister of the British Virgin Islands, Lavity Stoutt, said the outbreak of war in the Persian Gulf is not about conquest but about liberation.

Addressing the residents of this British dependent territory Friday he said, "The world has spoken against greed and tyranny." Stoutt said he regretted that the crisis in the Persian Gulf had to deteriorate to war, and hoped for "a short, swift, and decisive battle with minimal human suffering."

Dominican Republic

Former President's Trial To Resume 22 Jan

FL2201154091 Santo Domingo Cadena de Noticias in Spanish 0930 GMT 22 Jan 91

[Text] The continuation of the trial against former President Salvador Jorge Blanco and General Manuel Antonio Cuervo Gomez, retired, is scheduled for today. The district attorney reported that he will represent the Public Prosecution. The trial was set by Dr. Juan Maria Severino, judge of the seventh penal chamber, during the last hearing in which the defendants and others parties were summoned.

The previous postponement [reenvio] was made at the request of the Public Prosecution represented by an aide of the then Prosecutor Juan Esteban Olivero Felix. At that time, Dr. Olivero Felix was accused by Public Defendant Dr. Ramon Tapia Espinal of causing the frequent postponements to obviously drag out the hearing. The knowledge of the current district attorney of the Jorge Blanco-Cuervo Gomez trial could prevent delays in the case as continuances have been granted before.

Haiti

Government Prepares for Transfer of Power

FL2201234591 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 22 Jan 91

[Text] Today is 22 January 1991. In two weeks' time, on 7 February, the transfer of power will take place in Haiti. Meanwhile, preparations are proceeding so that the transfer can take place properly, in accordance with the law.

The Provisional Electoral Council is working diligently to publish the second balloting and final election results. Following this, there are assemblies [as heard], including communal, municipal, departmental, and all other assemblies, to be set up to support democracy in Haiti.

Meanwhile, the State Council continues working. It is operating jointly with representatives of the government. The Council has announced that the Transition Commission in charge of the examination of the public services dossiers, in preparation for the transfer of power on 7 February, began working yesterday, 21 January instead of the 28 December [1990] scheduled date.

In the meantime, they advise that work has already started in both the State Council and in the government and that through coordination the results can be handed over to the president-elect before 7 February.

In any democratic transition, as usual.... [rephrases] It is a common practice at this time for the ruling government to commit itself to settling current matters and ensuring that it does not make any decisions that would commit the new government. Within this context, the State Council recommends that during this period the approval of the State Council, in consultation with the president-elect, is needed before any new service is created; any public appointment, transfer, or promotion is made; any salary raise, adjustment, or any other pension is awarded; any new contract is signed; any new importation license or custom exemption is granted; any sale of state properties including even rolling stock is transacted; any expense previously non-budgeted is made; and any decree or order is published.

This is the latest State Council communique dated 21 January, which advises that the Transition Commission, comprising members of State Council as well as representatives of the government, are seriously working to properly effect the transfer of power in two weeks.

Turnout Low During 20 Jan Runoff Elections

FL2201133091 Bonaire Trans World Radio in English 1130 GMT 22 Jan 91

[Text] The turnout was low for Sunday's [20 January] runoff parliamentary elections in Haiti. The results will determine the Haiti Senate and Chamber of Deputies. There were no long lines at the polling places, nor was there any violence reported. More than 150 international observers from the United Nations and the Organization

of American States monitored the election process as they did during the earlier presidential balloting.

Clashes Between Farmers, Police Leave 12 Dead

FL2201131691 Bonaire Trans World Radio in English 1130 GMT 22 Jan 91

[Text] At least 12 people were reported dead and more than 400 houses burned in central Haiti in clashes between landless farmers and police. The violence occured 60 miles north of Port-au-Prince after authorities tried to evict farmers who were occupying disputed land. In addition to the 12 killed, eight are missing and dozens are wounded.

Eighty Priests Address Papal Nuncio, Population

FL1801231591 Port-au-Prince Radio Metropole in French 1700 GMT 17 Jan 91

[Text] From the Archdiocese of Port-au-Prince, 80 priests wrote to the apostolic nuncio, as well as to the community, regarding the violent events which occurred in the country since 16 December. The priests expressed their deep sadness to the apostolic nuncio, Jussepe Leanza, after the ransacking and burning [dechouquage] of the nuncio's residence and the mistreatment he received from the crowd. We share your suffering during this painful time, and we offer you our sympathy, the letter said.

To the Christian people, the priests of the Archdiocese offered their congratulations for the part they played in the 16 December elections: You just offered proof that you know what you want. You proved that you are a people who are willing to fight to the death to earn a life. It is a lesson to all the strong leaders and intellectuals. After achieving such a great victory, you must show everyone that you can rebuild the country through courage, unity, and devotion, one based on justice and love where everyone can live in peace.

Zenglendos Caught in Robbery; 1 Beaten to Death

FL2201195591 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 22 Jan 91

[Excerpt] Yesterday morning according to witnesses, some people caught four zenglendos in the Rue Pavee area with weapons in their hands who were getting ready to attack money changers. The angry mob beat one of the men to death. Police arrested the other three.

The four zenglendos attempting to rob the money changers in the Rue Pavee are reportedly regular employees of the Anti-Gang Service, according to a declaration by a group of young people who live in the neighborhood and recognized the zenglendos. The youthful eyewitnesses, who gave their names but requested anonymity, said they witnessed the incident in detail. They reported that the zenglendos maintain headquarters in a bingo house where they used to hold meetings and discuss politics. The youths said that the zenglendos have connections with military men.

Fifteen minutes after the police arrested the perpetrators in Rue Pavee, the same three men defiantly returned to the area in the same car they had been seen in earlier, this time without the license plate used in the attempted robbery. [passage omitted]

Jamaica

Minister Clark Warns of Possible Gas Rationing

FL2101140091 Bridgetown CANA in English 1857 GMT 20 Jan 91

[Text] Kingston, Jamaica, Jan 20, CANA—The Jamaica Government will ration gasolene if oil prices soar to above U.S. 35 dollars a barrel as a result of the Gulf war, Mining and Energy Minister [title as received] Horace Clarke said. Clarke, speaking Saturday at the launching of a national energy conservation campaign, also said a prolonged war might lead to the introduction of load shedding by the Jamaica Public Service Company, the island's electric company.

Jamaica currently buys oil at U.S. 26 dollars a barrel and spends some U.S. 300 million dollars a year on imports. Clarke, who participated in talks last week on Jamaica's oil needs with Venezuelan and Trinidadian officials, said the government, as part of its conservation campaign, was considering incentives for people who practise energy conservation or use alternative renewable sources of energy.

Jamaica has received assurances from Venezuela and Trinidad and Tobago that oil supplies would continue if the Gulf War escalates. But the government has warned Jamaicans that its ability to maintain a steady supply would depend on the price.

The incentives being examined include a revised tax policy regarding alternative energy use equipment, and the possibility of a decrease in import duties on items such as florescent light bulbs and solar water heaters.

2,000 Telephone Company Workers Begin Strike

FL1801192591 Bridgetown CANA in English 1847 GMT 18 Jan 91

[Text] Kingston, Jamaica, Jan 18, CANA—Workers at Jamaica's telephone company went on strike over pay Friday. The strike involves 2,000 employees represented by the National Workers Union (NWU).

The workers, after months of negotiations, reached agreement 10 months ago for parity in salary between themselves and employees at the Jamaica International Telecommunications Company (Jamintel). Both companies merged in 1989 to form Telecommunications of Jamaica.

According to the chief union delegate, Clarence James, the company wants to do a survey of the workers before paying out the money. However the workers say this is not necessary as a survey conducted nearly a year ago should contain all the information it needs. The telephone company workers pointed out that employees at Jamintel had been paid parity settlement without a survey and they wanted the same treatment.

James said a meeting was being held at the industrial disputes tribunal Friday in an attempt to resolve the issue.

Trinidad and Tobago

Muslims Urge War Withdrawal; Terrorism Feared

FL2201140691 Bonaire Trans World Radio in English 1130 GMT 22 Jan 91

[Text] The largest Muslim group in Trinidad and Tobago has appealed for an end to the Gulf war. The appeal came in a letter sent to Saudi King Fahd by the Anjuman Sunnat-ul-Jamaat Association. The group said Muslims in Trindad and Tobago, and in South America, are convinced that the chance for peace is in the hands of Saudi Arabia. It also urged the Saudi king to withdraw from the military alliance against Iraq, or in their words, face what the group called an eternal and dreadful penalty.

One Caribbean analyst believed that there is some danger in this region, that extremist groups could launch terrorist attacks in support of Iraq. Professor Anthony Brian says he does not believe such actions would come from the Muslim populations in the islands, but rather from the outside.

GUARDIAN Condemns Annexation of Kuwait

FL2201171991 Bridgetown CANA in English 1823 GMT 21 Jan 91

[Quotation marks as received]

[Text] Port of Spain, Trinidad, Jan 21, CANA—Following is the text of the editorial in Monday's edition of the TRINIDAD GUARDIAN.

"We wonder why so many people still find it difficult to accept the simple truth that the war in the Persian Gulf stems from Saddam Husayn's refusal to comply with a firm United Nations resolution to withdraw from Kuwait. It is quite disturbing, in fact, to hear some outspoken commentators treating the conflict as if it was a war fought between Iraq and the United States, with the U.S. as the aggressors.

Take, for example, the international law expert from the University of the West Indies [UWI] St. Augustine who blames the United States for backing the Iraqi dictator into the proverbial corner. He said that negotiations, if they could be called that, were not conducted in good faith. "There was too much wielding of the big stick by the United States," he declared.

Such a view totally ignores the role of the United Nations in this conflict, the deliberations of the world body, the overwhelming Security Council resolution calling on Iraq to get out of Kuwait, the deadline for compliance, the efforts of Secretary General Javier Perez de Cuellar to persuade Saddam Husayn to abandon his annexation of the little neighbouring emirate, and the historic coalition of forces which have come together under United States leadership to carry out the provisions of the UN resolution.

The Iraqi strongman, having built perhaps the largest and most powerful army in the Third World, overruns little Kuwait and wages a savage campaign of suppression on the Kuwaiti people, but there are some, including an expert in international law at St. Augustine who feel that poor Saddam has been wronged because negotiations in good faith have not been held with him and indeed, because he has been pushed into a corner by the United States' big stick.

Thinking such as this reminds us of those who, instead of condemning the Muslimeen for their bloody attempt to overthrow the elected government of our country, find all kinds of excuses to justify the horrendous act of folly committed by this group of fanatics.

Regardless of how one may feel about the government, the action of the Muslimeen, planned and violently executed, strikes at the foundation of our democratic society and only those who would prefer that we live under the thumb of a dictator would condone such a reckless venture or refuse to condemn it in the most unmistakable terms.

The annexation of Kuwait by Saddam Husayn is an act of brutal aggression—a strong country led by a ruthless and power-hungry dictator taking over a weaker one by sheer force—which strikes at the principle of international security and should provoke the condemnation of all those who believe in the sovereignty of nations and the right of national societies to determine their own destiny. What, after the United Nations had deliberated on the issue, was there to negiotiate with Saddam Husayn other than to demand that he and his forces leave Kuwait?

It is surprising, in fact, to learn of the extent of support that Saddam Husayn seems to have among certain groups in our country. It is based, we believe, on an unfortunate misreading of the character of the man and his quest for hegemony in the Middle East.

Saddam can hardly be held up as a hero or champion of the Arab Islamic world. His eight-year war against Iran, another Middle Eastern Islamic state, is one of the bitterest and most disgraceful conflicts in history, marked by a high death toll from Iraqi chemical weapons. And when he overran Kuwait last August with a subsequent threat to Saudi Arabia, it was simply an

attempt at seizing the bulk of middle east oil resources—it has nothing whatever to do with finding a solution to the Palestinian question.

The "linkage" with the Palestinian problem only came later as an expedient strategy when Saddam realised that the majority of the Arab world was outraged at his invasion of Kuwait and had joined the UN multinational force arrayed against him. This newspaper has supported the right of Palestinians to a homeland of their own and we have strongly condemned Israel's harsh suppression of the intifadah, but in this war we can give no support to Saddam Husayn and his cunning stratagem at linking settlement of his lawless action in Kuwait with the plight of the Palestinians or the Israeli occupation of the Gaza Strip and other areas."

EXPRESS Criticizes Censorship of Media

FL2301155091 Bridgetown CANA in English 1359 GMT 23 Jan 91

[Quotation marks as received]

[Text] Port of Spain, Trinidad, Jan 23, CANA—Following is the text of Wednesday's editorial in the TRINIDAD EXPRESS newspaper.

"Were it up to the military authorities alone, the world would receive only propaganda out of the Persian Gulf. Fortunately, this cannot happen in the age of information. Nonetheless, the military authorities are doing their best to limit the reports which come out of the Gulf War.

Correspondents reporting from both the Allied and Iraqi sides have been subject to strict censorship, and while it is true that some of the limitations have been laid down purely for security reasons, some of the censorship is also aimed at ensuring public opinion does not swing against the war. This is more of a concern for the Allied Forces than for Saddam Hussein. The Iraqi president only has to be concerned about his army turning against him, and the lack of defectors so far, as well as the reportedly arrogant attitude of Iraqi prisoners of war, seem to suggest that there is little likelihood of this occurring.

But the Allied Forces, and in particular the United States, are surely quite nervous about the information being received by the world. In Vietnam, American forces were withdrawn partly because of the negative images which reached the American public through the media—images which were in stark contrast to the gung-ho propaganda being returned by the American Government.

This is why the number of POW's has suddenly become an urgent issue. The Iraqi Government quite clearly forced some of the Allied prisoners into making statements on television. Iraq also stated that it would transport some 20 POW's to probably military targets, an action condemned most strongly by U.S. Defense Secretary Dick Cheney.

But Iraq, in its turn, has responded quite cleverly, saying through its senior diplomats in Western Europe that Allied POW's will be treated humanely only if their governments officially recognised their capture. "We have a much larger number than they're talking about," said Iraq's ambassador to France. "So it is wise they tell their people the truth."

Now this may be just propaganda intended to justify the ill-treatment of prisoners. On the other hand, it is probable that the Allied authorities have a vested interest in reducing the actual number of Allied personnel in Iraqi hands, as well as those who are missing and dead. This is not only because both sides are playing a numbers game designed to cast doubt on the veracity of each other's propaganda; it is also because Saddam Hussein has to keep up the morale of his troops and because, on the Allied side, President Bush in particular has to keep public opinion in his favour.

That task will become more difficult the longer the war goes on, simply because the truth, as usual, will out. And it is when the world becomes privy to the actual devastation and death caused by this conflict—so far concealed by the military censors—that the tide of opinion will turn against war. And this, really, is the core reason governments clamp down on information in times of war, because if people truly understand the human costs of military conflict, then Carl Sandburg's prediction will become true: "Sometime they'll give a war and nobody will come."

Political Leaders Outline Position on Gulf War

PA2201125891 Mexico City NOTIMEX in Spanish 1957 GMT 21 Jan 91

[Text] Mexico City, 21 Jan (NOTIMEX)—Mexico should immediately suspend exports of oil and all kinds of hydrocarbons that bolster the strategic reserves of the United States and, as appropriate, exports to the other contenders in the Persian Gulf conflict, according to Cuauhtemoc Cardenas, leader of the PRD [Party of the Democratic Revolution].

The PRD national president expressed the opinion that "thousands of Mexicans are already in Saudi Arabia as members of an army and under a flag that is not ours."

Cardenas also said that the fate of humanity cannot be left "in the hands and up to the morality of the murderers of Grenada and Panama."

Senator Luis Donaldo Colosio, president of the CEN [National Executive Committee] of the PRI [Institutional Revolutionary Party], said that in the context of the Persian Gulf conflict, which threatens the hopes and desires for peace of all nations, Mexico is seeking a juster international order based on the principles of equity and the self-determination of peoples.

Our country calls for law, concord, and peace to prevail in the Middle East, the senator said, adding that we are not unaffected by what happens in that region. He expressed regret that there should be a recourse to weapons instead of a peaceful solution to conflicts.

Romeo Flores Caballero, international relations secretary of the PRI, proposed a "permanent forum for multilateral peace in order to seek a diplomatic solution to the Middle East conflict."

Like Colosio, Flores Caballero expressed regret that international order, organization, and law seem ineffective in a conflict that places doubt on their efficiency and effectiveness.

The CEN of the National Action Party called for a cease-fire and reiterated its support for the proposal made by UN Secretary General Javier Perez de Cuellar that the belligerent troops be withdrawn. Similarly, it called for the immediate convocation of a worldwide conference to discuss the Middle East problem as a whole. It said that the holding of this international conference would be contingent upon the withdrawal of the invading troops from Kuwait.

Rafael Aguilar Talamantes, president of the Cardenist National Reconstruction Front, demanded that the United Nations return to its primary objective of conserving the peace and that a special general assembly be held immediately to seek a diplomatic solution to the Persian Gulf conflict. Deputy Carlos Castillo Peraza, who is a member of the National Action Party's CEN, said that any use of violence in the international and national spheres represents a failure of humankind, a failure of politics as an activity.

PRD International Affairs Secretary Ricardo Valero called for the mechanisms of a peaceful solution not to be abandoned in view of the obvious generalization of the conflict.

Pemex Pays Off Domestic Debt With Oil Income

PA2201042691 Paris AFP in Spanish 0215 GMT 22 Jan 91

[Text] Mexico City, 21 Jan (AFP)—As a result of extra income obtained since August because of the rise in oil prices and the "high" levels of productivity, the state Mexican Petroleum (Pemex) company was able to pay off its entire domestic debt at the end of 1990, according to a communique issued by Pemex today.

The domestic debt, which totalled almost 2.5 billion pesos (3,000 pesos to the dollar) in the first quarter of 1990, was contracted to match short-term financing, Pemex added.

The company noted that after the increase in the international price of crude resulting from the Iraqi invasion of Kuwait in August, the Mexican Government decreed that a portion of the additional income would be used to amortize Pemex' domestic debt.

In early 1990, Mexican authorities had estimated that the average price of local crude would be some $15 a barrel. According to preliminary Pemex data, from January to November of last year, the average price of crude was $20.50 a barrel.

Mexico produces 2.5 million barrels of oil a day, of which it exports 1.3 million barrels.

Venezuelan Deputies Say Production To Increase

PA2201023091 Mexico City NOTIMEX in Spanish 2354 GMT 21 Jan 91

[Text] Mexico, 21 Jan (NOTIMEX)—Venezuela will increase its oil production in order to meet the worldwide demands resulting from the conflict in the Middle East, according to three Venezuelan legislators who are in Mexico.

Interviewed at the Mexico City International Airport, the legislators, Marco Tulio Brunicelli, Timoteo Sambrano, and Jose Rangel Baron, said that Venezuela will gradually increase its oil production for the duration of the war.

Since Iraq invaded Kuwait on 2 August of last year, Venezuela has increased its production from 2.4 million barrels a day to 2.4 million [figures as received], the legislators said.

The legislators said that they are opposed to the war because technology, the fruit of human effort, has been put at the service of destruction and hate.

The deputies, who will participate in a meeting of the Conference of Latin American Political Parties (Coppal), to take place on 22 and 23 January, said that before the conflict in the Persian Gulf, people believed that times had changed, but unfortunately, that is not the case.

Finally, they said that the whole world desires peace, and Venezuela shares that desire, because it is a country of peaceful convictions.

Romanian Official Arrives, Comments on Gulf War

PA2001175791 Mexico City XEW Television Network in Spanish 1649 GMT 20 Jan 91

[Text] Romulus Neagu, state secretary at the Romanian Ministry of Foreign Affairs, has arrived in Mexico. He is scheduled to meet with Fernando Solana, Mexican foreign relations secretary.

Romulus Neagu, state secretary at the Romanian Ministry of Foreign Affairs, said that his country supports the use of force in the Persian Gulf.

[Begin Neagu recording, in Romanian with superimposed Spanish translation] Romania regrets the fact that the situation has reached this stage. It believes, however, that the use of force to reestablish the sovereignty and the independence of Kuwait is justified. [end recording]

Neagu added that Romania, a country that produces and refines petroleum, has been adversely affected by the Persian Gulf crisis, because before the war started, it had sold Iraq technology, which it agreed to repay with petroleum.

[Begin Neagu recording, in Romanian with superimposed Spanish translation] Iraq owes Romania $2 billion, which it should have started repaying in petroleum in August. [end recording]

As a result, Neagu said that Romania has had to buy crude oil at a much higher price. Romulus Neagu, who was interviewed at the Mexico City International Airport upon his arrival, is scheduled to meet with Fernando Solana, Mexican foreign relations secretary, to discuss bilateral relations between the two countries.

El Salvador

FMLN Charges Two Guerrillas With 'War Crimes'

PA2201180791 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0000 GMT 22 Jan 91

[Communique issued by the Farabundo Marti National Liberation Front (FMLN) in El Salvador on 18 January—read by announcer]

[Text] The initial process of investigating all the circumstances surrounding the death of two U.S. military personnel who survived the downing of their helicopter on 2 January has led to the following conclusions:

1. According to statements by the implicated persons and other members of the military unit, it has been confirmed that both U.S. soldiers were executed by order of a zone chief who was in the area and whose pseudonym is Aparicio. The order was carried out by a guerrilla unit chief whose pseudonym is Porfirio. In view of the above, it was established that there is just cause for the arrested persons to be brought to trial.

2. The accused are charged with war crimes for violating the principles and codes of war conduct observed by the FMLN, and for violating the Geneva Convention of which we are signatories. For the time being, the two former FMLN members have been discharged from the National Army for Democracy.

3. Given the public significance of the case and its political effects as a result of the progress achieved by our struggle, the FMLN General Command agreed that this case should be processed and tried openly, and with the participation of third parties.

4. Preparations will begin immediately to provide all the conditions for a clean and impartial trial, which will permit punishing the crime in accordance with a true sense of justice and consistent with the principles and code of war of the FMLN and international humanitarian law. Independent observers will be invited to the trial.

5. The FMLN deems it important to establish a combined tribunal made up of FMLN members and independent personalities to ensure its impartiality. The accused will be guaranteed the right of defense.

6. Both accused will be presented to the press and humanitarian organization representatives at a future and appropriate time.

7. Any attempt to extradite the accused or to turn them over to the government's judiciary system is totally unacceptable, in view of the fact that the system is currently under question and its profound reforms are the object of negotiation. The FMLN's signature on the Geneva protocols and the negotiating process establishes for the FMLN the condition of a belligerent party. For such cases, international humanitarian law provides that the accused will be tried by the party to which they belong and not by the counterpart.

8. For the time being, we will only give the pseudonyms instead of the names of the accused, so as to guard the safety of their families.

Farabundo Marti National Liberation Front El Salvador, 18 January 1991

Peasants Allege Army Used 'Poisonous Powder'

PA2301011091 Mexico City NOTIMEX in Spanish 2141 GMT 21 Jan 91

[Text] San Salvador, 21 Jan (NOTIMEX)—The nongovernment Salvadoran Human Rights Commission (CDHES) today reported that the Salvadoran Army has used toxic substances against peasants who are members of a former refugee community.

CDHES leader Celia Medrano held a news conference and presented the reports issued by the "Segundo Montes" community, located in eastern Morazan Department.

According to the testimony, on 13 January members of the military garrison in San Francisco Gotera, located 167 km from the capital, threw a poisonous powder during a community rally to demand the release of three members captured by forces of that military unit.

"The soldiers beat us and insulted us when we began to demand the release of our comrades, and then we saw some kind of powder that choked us and burned our skin and faces," Maria Amaya, a member of the repatriated people's community, reported.

Other testimony presented by the CDHES indicated that "the persons affected by the powder complained of stomach problems and itching throughout the body, adding that they could not sleep or eat."

"The children vomited and cried all night long," the report added.

The CDHES condemned the action and demanded that Alfredo Cristiani's Government "adopt the necessary measures to stop this."

Roundup of Military, Rebel Clashes 1-19 Jan

PA2101033591

[Editorial Report] (Clandestine) Radio Farabundo Marti in Spanish to El Salvador at 0000 GMT on 13 January reports that the Farabundo Marti National Liberation Front (FMLN) issued a report on clashes that took place during the first 12 days of 1991. The report states that the FMLN "has inflicted 136 casualties on the Army, shot down two Salvadoran Air Force helicopters, and damaged one armored vehicle in La Libertad Department." In another report, the announcer states that on 12 January "National Army for Democracy troops attacked an Atlacatl Battalion company on Ocote

Redondo Hill, Chalatenango Department, and our companions confirm having inflicted 13 casualties, including dead and wounded." Another report states that, later on that same day, sharpshooters inflicted two other casualties on the Atlacatl Battalion in the same place.

Radio Farabundo Marti also reports that on 12 January, "National Army for Democracy clashed with Atlacatl Battalion troops in El Jicaro Hamlet, Chalatenango Department and inflicted four casualties on Army troops." Another report states that on 11 January rebels ambushed a National Police truck traveling from Santa Ana to San Salvador. "The ambush was carried out near the Magallanes Ranch, in the La Libertad Department and our forces inflicted three casualties on the criminal National Police."

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 15 January reports that "on 13 January, National Army for Democracy troops inflicted two casualties on the Atlacatl Battalion via a mined field in El Jicaro Hamlet, Las Vueltas Jurisdiction, Chalatenango Department." A report from the Francisco Sanchez Northeastern Front states that on 14 January "at 1200, National Army for Democracy troops attacked two Cacahuatique Battalion positions near Osicala and killed one soldier."

Radio Farabundo Marti at 0000 GMT on 16 January reports that on 15 January, "Army troops suffered two casualties when they entered a mine field in La Montanita, Chalatenango Department." Another report states that "National Army for Democracy troops laid a mine field in front of the Bracamonte Battalion inflicting one casualty, and later shot one soldier and caused another casualty due to a mine explosion in La Cruz Canton, Cuscatlan Department." One last report from Modesto Ramirez Central Front in San Salvador reports that on 14 January at 0015 "National Army for Democracy troops attacked the artillery parts warehouse near the Tonacatepeque cemetery, and 5th Military Detachment troops guarding it, with RPG-7 grenades and inflicted four casualties."

Radio Farabundo Marti at 0000 GMT on 17 January reports that at 1400 on 15 January FMLN troops clashed with the Tehuacan Battalion's Third Company and a section of the 5th Infantry Brigade on the Panamerican Highway in the San Felipe Canton, San Vicente Department. The report states that the final results of the clash were "53 casualties, including 26 dead and 27 wounded, and five prisoners of war. The material seized includes 21 M-16's and accompanying military equipment, two M-60 machine guns, one PRC-77 radio, 21 backpacks, 17 industrial grenades, 32 grenades for M-79 grenade launchers, three Claymore mines, two clips for M-60 machine guns, 2,000 5.56-mm rounds and other war materiel." At the end of the report the announcer states that "the Tehuacan Battalion company was annihilated."

San Salvador Canal Doce Television in Spanish at 0300 GMT on 19 January reports that supposed FMLN urban commandos shot a grenade against the National Armed Forces Social Security Institute located in the El Salvador Tower Building at 0630 on 18 January. The report adds that "there were no victims because the employees had not yet arrived. This was the second attack on this building in less than three weeks." Another report on Canal Doce states that the Army reported that two Atlacatl Battalion members were wounded on 17 January during an FMLN ambush in San Antonio Los Ranchos, Chalatenango Department and that "Belloso Battalion troops broke up two guerrilla camps in Comasagua, La Libertad Department, where they also seized material for manufacturing explosives."

'Death Squad' Said To Threaten Left, Clerics

PA2301023491 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 22 Jan 91

[Text] A death squad communique made public today stated that force will be used over the next few days against left-wing political and religious sectors in El Salvador, to prevent their beliefs from unbalancing our country even further, and because the death squads believe that the sectors they threaten only serve to aggravate the war.

Rebel Radio Broadcasts 'Paid Advertisement'

PA2201233691 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0000 GMT 22 Jan 91

[Report on 'paid advertisement' issued by the German Committee for Freedom of Expression and the Human Rights Defense Committee; published in El Salvador on 10 January—publication carrying advertisement not identified]

[Text] We have received at our broadcast facility a copy of an interesting pronouncement signed by the German Committtee for Freedom of Expression [Comite para Libertad de Expresion] and the Human Rights Defense Committee [Comite para la Defensa de los Derechos Humanos]. This pronouncement was published in our country on 10 January. We are going to read to you the main points of this paid advertisement, signed by members of the German print and broacast media:

We denounce:

1. that the Salvadoran people do not enjoy true freedom of expression or the right to factual daily news;

2. that Radio Farabundo Marti and Radio Venceremos are not free to broadcast;

3. with concern, that media members have been murdered;

4. that the Cristiani government uses the media to disinform the Salvadoran people.

The German Committee for Freedom of Expression and the Human Rights Defense Committee, in solidarity with our peoples, in their paid advertisiment said:

In consideration of the aforementioned, we demand from the Cristiani government:

1. that it stop government jamming of Radio Farabundo Marti and Radio Venceremos;

2. that it allow freedom of expression for the media and provide guarantees for media workers;

We congratulate the producers of Radio Farabundo Marti and Radio Venceremos for their long and successful work on their ninth and 10th anniversaries.

Guatemala

Serrano Comments on Gulf War, Rebel Actions

PA2201134391 Guatemala City SIGLO VEINTIUNO in Spanish 19 Jan 91 p 3

[Excerpt] [Passage omitted] President Jorge Antonio Serrano Elias voiced his concern about the Persian Gulf war and said Guatemala supports the allied forces fighting against Iraq to avoid the deadly precedent of "conquest rights," an allusion to the Iraqi occupation of Kuwaiti territory.

"Our position is to clearly and categorically support the allied forces' effort, but we definitely deplore the fact that it was necessary to reach these extremes. We hope that peace will prevail because it is a problem that we have had to face early in our administration, and we have been compelled to adopt the necessary measures to minimize its effects."

President Serrano Elias reported that the subversive forces operating north of the country, particularly in Peten Department, have caused millions in losses given the country's oil spills that were caused by the destruction of tankers carrying hydrocarbons. Serrano said that an unprecedented ecological damage is being caused throughout Peten Department, not to mention the financial losses.

He said: I warn the subversive forces to abstain from carrying out these actions, because these blows are being dealt against the Guatemalan people and their economy at a time when the nation is being asked to implement austerity measures and sacrifice its fuel consumption. We think it is unfair for the country's resources to be squandered by subversive actions, and we ask all Guatemalans to cooperate so that our country is affected as little as possible.

Government To Announce Fuel Conse[illegible]ion Measures

PA2201161791 Guatemala City SIGLO [illegible]INTIUNO in Spanish 19 Jan 91 p 3

[Text] Through government provision 55-91, President Jorge Serrano Elias has issued several restrictive measures on the use and consumption of fuel and electricity, with a view to conserving energy in view of the prevailing uncertainty stemming from the Persian Gulf war.

Although the government said that the provision will become effective immediately, officially it is expected that this will take place on Tuesday, one day after it is published in the official gazette.

It was learned that the country's fuel reserves, including that in the tanker which will arrive in the country, will guarantee a supply for up to 45 days. With the austerity and savings that are being imposed now, the reserves should last up to 100 days, pending a solution to the Mideast conflict. Gas stations can only sell fuel from 0600 to 1800 on Monday through Friday, and are strictly forbidden from doing so on Saturdays and Sundays. Fuel cannot be dispensed in containers other than vehicle gas tanks. This does not apply to diesel or kerosene that is used for farming or industrial activities. The violations to this provision will be punishable according to Article 495 of the Penal Code. If there is a recurrence on the part of a gas station, its license will be revoked.

With the purpose of avoiding traffic congestions during rush hours, all state workers will have the same working hours of 0800 to 1630. It is suggested that private enterprise workers begin to work as follows: industry, between 0700 and 0730; schools and private schools, between 0800 and 0830; banks and commerce, between 0900 and 0930.

As of 2000 the lighting of billboards, signs, and shop windows is forbidden throughout the national territory. Anyone who violates the provision will be subject to penalties according to Article 495 of the Penal Code.

The government strictly banned the circulation of vehicles with official license plates between 1900 and 0600 of the following day.

Honduras

'Leftist' Group Threatens Diplomatic Missions

PA2201155391 Panama City ACAN in Spanish 1529 GMT 22 Jan 91

[Text] Tegucigalpa, 22 Jan (ACAN-EFE)—An alleged leftist guerrilla group, the People's Morazanist Front (FPM), today threatened to begin a series of attacks in Honduras on the diplomatic missions of the countries waging the war against Iraq.

In a communique sent to the Tegucigalpa media, the FPM promised to use "bullets and explosives" against diplomats representing nations which "attack Iraq." It also criticized

Honduran President Rafael Callejas for "his unconditional support for the United States and its allies."

The clandestine organization, which, until now, had been unknown said that "peace in the Middle East should not be based on the blood of millions of people and a disregard for ecology."

Public protests against the war have already begun in Honduras and last week; two men hurled grenades at the French consulate in the northern city of San Pedro Sula, without causing much damage. The police are still investigating that incident.

Nicaragua

FSLN Communique: Gulf War Unjustified

PA1901231791 Managua BARRICADA in Spanish 19 Jan 91 pp 1,5

["Text" of communique issued by the National Directorate of the Sandinist National Liberation Front (FSLN) in Managua on 18 January]

[Text] Nicaraguan brothers:

The world has witnessed with astonishment the military offensive that the Armed Forces of the United States and its allies has launched against the Iraqi Nation. The offensive will have extremely grave consequences, not only for the people of the countries involved in the conflict, but for all the nations of the world.

The effect of the war on oil prices and the world economy could be devastating for Third World nations, which struggle in poverty and strive for a dignified human existence. The people of Nicaragua, like the other people of the world, have become hostages of the war which should never have taken place.

The FSLN has rejected the U.S. military interventions against Grenada, Panama, and our own homeland, and it condemns the Iraqi military invasion of Kuwait. The respect of all countries for the international juridical order, the non-use of force, and the right of all nations to their own self-determination are essential principles in our political conduct.

For these very same reasons and because all possibilities to resolve the crisis were not exhausted, we believe that the war launched by the U.S. Government and its allies on 16 January has no political or moral justification. The FSLN rejects and condemns the military buildup, which precluded the possibilities of a negotiated and just solution to the Persian Gulf crisis.

The war, which threatens to become a world conflagration, must cease. Peace must be given a chance. There is still time to avoid the loss of thousands and thousands of human lives and the unspeakable sacrifice and destruction that this war will cause to millions of families, including those of the multinational force soldiers.

All the people and governments of the world must unite to demand an immediate cease-fire, an end to the massive bombardment of Iraq, and the suspension of attacks on non-belligerent third countries; and to renew political negotiations to restore peace, security, and the legitimate rights of all the countries in that convulsive region.

As long as the remotest hopes exist, the FSLN will continue to contribute with its modest efforts to prevent the destruction and death to which the Persian Gulf war leads us.

Yes to peace, no to war.
National Directorate of the FSLN.
Issued in Managua, Nicaragua, on 18 January 1991.

BARRICADA Editorial Hits Gulf War, U.S.

PA2001035091 Managua BARRICADA in Spanish 17 Jan 91 pp 1, 5

[Editorial: "Shame and Decadence of the Western World"]

[Text] A "damnable" war has started. Please understand this well. It is not a "damned" war, like all the others. This war is "damnable." We say that this war is damnable becasue it does not even have the extenuating circumstances of having a just, true, and legitimate cause. It is not like other patriotic wars for the defense of national territory, independence wars for national emancipation, or revolutionary wars that seek to change an unjust and repressive order. It is damnable because it is motivated by greed, usury, and ambition carried to extreme levels, and because it has the label of arrogance. Man's vilest passions are embodied in the most formidable army in history, equipped with weapons out of sicence fiction. It is also "damnable" because it is shameful and unjust, not to say scandalous, to see the economic, numerical, and destructive superiority of the attacking power and its allies, against one single country in a defensive position.

It is "damnable" because it is immoral and cynical, because the most spurious and political of interests are being misused in the name of mankind's "common good" by a system of domination. This system has been built on a base of trampling, razing, and eliminating entire nations. It has already caused the tragedy of two world wars.

Today, the "damnable" essence of this war can be more easily seen because the advances of the technological revolution have been placed at the service of death, for the dubious glory of a civilization based on the worship of money and the cult of the exploitation of man. This is an imperialist war, like the two previous wars. This war, however, has been declared by the rich North against the poor South.

It is a frightful war because its consequences might jar the world into an unsuspected escalation, increasing the

suffering of the human species and seriously endangering the existence of life on the planet. We are dangerously nearing the stage predicted by a philosopher who said that he had no idea what a third world war would be like, but that surely the fourth world war will be fought with sticks and rocks.

Nothing has proven the ungodly nature of this war more than the double moral standard of the Western powers. The UN authorized the use of force against Iraq for the occupation of Kuwait, a country created by the oil companies in Iraqi territory. Meanwhile, for years, it has refused to adopt the same attitude with regard to the Israeli occupation of Palestinian territory.

What is even worse is that the manifest will to go to war at all costs was expressed in the rejection of the proposal made by France and Yemen to link the Iraqi withdrawal from Kuwait to the commitment to finding a solution to the Palestinian problem.

You do not stab a democracy if you really want peace, nor do you issue an ultimatum if you want to avoid war. You do not trample international law if you want to have the moral authority and political legitimacy to mediate in other people's conflicts.

The Yankees' intended image of a "fair arbitrator" does not go hand in hand with the grotesque war paraphernalia launched against Iraq and the indescribable suffering and horrors imposed on the Arab masses by the planned merciless bombing raids, nor with the instability and uncertainty that the entire world has begun to experience.

It is possible to understand that in view of this evil, nonsensical will, and the sordid origin of the war, the Arab people—not their governments—will eventually claim their rights and those of the Third World, spreading the war beyond Iraq's borders. They will truly rise with all the splendor and the fury of a "Desert Storm," with all the just sense of their Islamic culture. They will overcome with a "holy war" all the horror and evil of this "damnable" war, on behalf of all the poor and forsaken people of the world.

We were perplexed last night to see on television the grotesque figure of the President of the United States, playing the role of God of death, taking upon himself unbelievable powers to whimsically dictate the future of the human race. The world will probably never be the same again after the end of this war.

Official Outlines Government Ministry Changes

PA2201000891 Managua BARRICADA in Spanish 17 Jan 91 p 2

[Text] Deputy Government Minister Jose Pallais yesterday announced a Government Ministry [Mingo] reorganization that will include the creation of the Civil Investigations Office within the police, an antidrug corps comprised of 80 people, and a Repatriates Assistance Department, which will be under former counterrevolutionary chief Israel Galeano, alias "Franklyn."

Pallais pointed out that Galeano "will be just another civilian working at the ministry," because various newscasts yesterday morning insisted that "Franklyn" would be appointed as the national police's deputy chief and promoted to commander.

He added that the payroll of the former Interior Ministry [MINT] has been reduced from 14,500 to 11,900 employees. Pallais said that this reorganization includes the transfer of 1,209 Mingo support personnel to civilian and military posts in police units throughout the country, especially in Managua.

Pallais said that the police units will remain the same but the new Civil Investigations Office—which is similar to the police's General Investigations Office—will now supervise the work of police prosecutors and investigators and hear complaints, making it similar to the Complaints Office that the MINT had in Managua.

Deputy Minister Pallais added that a Municipalities Assistance Office will also be created. Journalists interpreted this as the resurgence of political chiefs at the country's municipalities.

Pallais said that the rural police, presumably comprised of 330 people, will continue to operate at the development centers, which are occupied by the former members of the counterrevolution.

He estimated that this reorganization will be completed by April at which trime Mingo will reveal the names of the heads of the various organizations recently established within the Mingo.

Minister Hurtado Adresses Demobilization Program

PA2301015291 Managua Sistema Nacional de Television Network in Spanish 0200 GMT 22 Jan 91

[Text] The director of a new branch of the Government Ministry, Israel Galeano, and Government Minister Carlos Hurtado held a meeting with President Violeta Barrios de Chamorro.

Vilma Estrada reports that this new directorate already has working plans to deal with the situation of the demobilized contras and those who have been repatriated.

[Estrada] During the meeting with President Chamorro, and Israel Galeano, director of the Inter-Institutional Coordination for the Demobilized, Government Minister Hurtado stated that the new office expects to resolve the first stage of the demobilized contras' problem by 25 April. This first stage deals with settlement.

[Begin Hurtado recording] A number of ministries are involved in this project—the INRA [National Institute for Agrarian Reform], the Agriculture Ministry, the Health Ministry, the Education Ministry, the Nicaraguan Repatriation Institute, etc. It is a large-scale effort

and there is even foreign cooperation with regard to the acquisition of resources needed for the project. All this must be handled in an orderly and systematic way and Commander Franklyn will head the project. [end recording]

[Estrada] Hurtado emphatically denied that this new branch has any counterintelligence duties.

[Begin Hurtado recording] Galeano will be carrying out strictly civilian work—strictly and entirely civilian. [end recording]

[Estrada] The government minister also reported that he will send a team of ordnance experts to Rio San Juan, where an arsenal was found several days ago, since it is believed that the area is mined.

Bank Director Comments on Currency Reserves

PA2301034991 Managua BARRICADA in Spanish 22 Jan 91 pp 1, 5

[Excerpt] Raul Lacayo, minister director of the Central Bank, admitted that the foreign exchange houses suffered a decrease in the delivery of dollars, but he stated that there are enough foreign currency reserves to guarantee imports.

In a brief statement to BARRICADA, the minister indicated that administrative problems are the explanation for "channeling less foreign currency through the foreign exchange houses."

Even though Lacayo did not give details about the decrease, it has been learned from unofficial sources that the Central Bank's sale of foreign currency to the International Foreign Exchange Bureau dropped from $600,000 per day in December to $300,000 per day in early January, to only $100,000 per day starting this week.

The high-ranking government official explained: "The Central Bank's foreign currency control system is prepared to issue the necessary documents so that the foreign currency used for imports can be deducted from the aid that arrives in Nicaragua.

"In other words, there are certain minimum requirements on the documents that must be filled out for the assistance being given by U.S. AID for the balance of payments, and the foreign exchange houses are not prepared to handle this," he added.

Lacayo said: "Therefore, we had the problem of many imports that could be deducted from AID's assistance being channeled through foreign exchange houses without the proper documents. Consequently, it was decided to channel imports through the mechanisms established by the Central Bank."

Nevertheless, the minister said that "the foreign exchange houses continue to sell small amounts of dollars which, due to their reduced amount, are not considered within the AID scheme"—because the U.S. organization has established a minimum of $10,000 for imports.

Concerning the decision to transfer the exchange of gold cordobas for dollars from the Central Bank to four Real Estate Bank branches, Lacayo said that his organization is not a commercial bank and, therefore, it should reduce the number of transactions with the public. [passage omitted]

Currency Devalued, Fuel Price Increase Projected

PA2101162991 Managua Radio Sandino in Spanish 1200 GMT 21 Jan 91

[Text] The official exchange rate has been increased to 3.74 million cordobas. The Central Bank announced that the new official exchange rate would go into effect today. This means that the dollar costs 310,000 cordobas more than it did last week. We point out that the price of a dollar on the black market was 4.50 million cordobas on 18 January. The price of fuel will increase accordingly. This modification to the old cordoba's parity with the U.S. dollar is simply another seven or eight percent devaluation of our currency. Many businessmen increased the prices of their products by 17 or 18 January. Speculation was, therefore, rampant.

Mendieta Elected Conservative Party President

PA2101220491 Managua Domestic Service in Spanish 1330 GMT 9 Jan 91

[Text] Four conservative factions have appointed Alfredo Mendieta the president of the united, single Conservative Party of Nicaragua [Partido Conservador de Nicaragua (PCN)]. They hope to unite the conservatives of Jose Castillo.

Alfredo Mendieta Jr. was appointed by the four conservative organizations that tried recently to form a single conservative party. The group is made up of several conservative leaders. They are Fernando Aguero Rocha, Hernaldo Zuniga Montenegro, Clemente Guido, and Agustin Alfaro. According to Alfredo Mendieta, they plan to obtain the legal registration of the Conservative Party of Nicaragua this year. The party is expanding its line of activities throughout the country. Here is what PCN President Mendieta had to say:

[Begin recording] [Mendieta] The conservative unity is advancing firmly. On 1 January we elected the authorities of the united conservatives. We drafted an important work plan that will conclude with the total integration of all conservatives of the country. I was privileged to be elected and supported unaninmously to exercise the post of president for the first term. It will be known as the PCN. This has been our party's name traditionally. The party will strive to participate clearly and

actively in national politics and to achieve a more dynamic participation than it has had up to now in the adoption of national decisions.

[Reporter] What parties will represent this party, this unification?

[Mendieta] This unification includes five political parties: The Democratic Conservative Party of Nicaragua, with its delegate Dr. Clemente Guido; the Conservative National Action Party with its delegate Dr. Hernaldo Zuniga; the Social Conservative Party of Nicaragua, with its delegate Dr. Fernando Aguero; the Labor Conservative Party with its delegate Mr. Gerardo Alfaro; and the independent Conservative Popular Alliance, which I represent. That is the composition of the current board.

[Reporter] What are the plans or objectives of the united conservatives?

[Mendieta] We will work arduously toward a vast assembly which will determine at the grassroots level the leadership that will head this vast conservative unity. We will have two basic tasks: First we will strive to obtain the legal registration with the name Conservative Party of Nicaragua. Second, we will hold a large convention late this year. Its basic task will be to elect the authorities.

[Reporter] I believe there are two parties that are not participating in this unification. What about those parties?

[Mendieta] No, there is only one party that has not joined the unification. It is the National Conservative Party. We have held talks with them, which we deeply respect and with which we have been very close. We realize that there is a willingness among department and municipal leaders to continue to work actively toward the unification. The doors remain open to them and we hope that before this year's end they will be integrated into the conservative family. [end recording]

Panama

Calderon Blames Attack on 'Pseudo-Terrorists'

PA2201165991 Panama City LA PRENSA in Spanish 22 Jan 91 p 18A

[Article by Zoila Rodriguez Jovane]

[Text] Government and Justice Minister Ricardo Arias Calderon has said that a recent attack on the U.S. Embassy and threats made by alleged subversive groups amount to nothing more than actions by pseudo-terrorists trying to create confusion in order to commit common crimes. Arias Calderon, who was a guest at the weekly meeting of the Association of Panamanian Industrialists to discuss the topic "Panama and the Consequences of the Persian Gulf War," attributed the provocative action on the U.S. diplomatic mission to local elements.

The government minister said that the explosives used in the 16 January attack are similar to those used in other actions since 20 December 1989, by antisocials who want to create an unstable atmosphere to further their political goals.

Arias Calderon, who is also vice president, added that on the very evening of the offensive against Baghdad, the Public Force implemented an operation in various points of the capital to search vehicles, seize weapons, and to remind citizens that "an authority exists" here.

"Panama—as all other countries—is exposed to terrorist and criminal actions," he pointed out. At the same time he compared the low incidence of violence in our country to that of countries such as Guatemala and Peru and to the crime rate of cities such as Washington, D.C., and Miami.

Arias Calderon said that the main concern is the economic impact of a large-scale conflict in the Middle East and a possible blockade on petroleum supplies.

In this regard, he pointed out that although the initial effects have not been "dramatic," there is no indication that the clash between Iraq and the multinational forces will end soon; in fact, it threatens to prolong itself.

The government minister said that the task of dismantling a military organization while offering security services at the same time is no easy task. He added that the National Police is still undergoing a transformation phase.

Quoting figures, Arias Calderon said that only 611 of the 1,121 posts occupied by officers with ranks higher than sublieutenant within the defunct Panama Defense Forces still exist. Of the 611, he added, only 497 are occupied by former soldiers within the Police.

The minister said that 75 new sublieutenants trained at the Atlanta Police Academy have been incorporated into guard duty.

Reaction to Persian Gulf Developments Reported

PA2001173391 Mexico City NOTIMEX in Spanish 0240 GMT 19 Jan 91

[Text] Panama City, 19 Jan (NOTIMEX)—Panamanian President Guillermo Endara expressed regret today concerning Iraq's military actions against Israel. He also stated his regret over the casualties resulting from the bombing of Tel Aviv and Haifa.

In a communique Endara said that Panama is following the military actions in the Middle East with "much anguish and concern," and he reiterated his support for the multinational forces led by the United States.

The president said that he wishes that the war would end soon and with as few casualties as possible.

Meanwhile, the Legislative Assembly joined "the civilized world in its prayer for a prompt end to the war." A

note from the assembly calls for "the free people of the world to be able to live in peace again, without fear of situations such as those provoked by tyrants such as Saddam Husayn."

The Panama Canal Commission Board of Directors, headed by U.S. Army Secretary Rick Michael Stone, has announced that "safe and uninterrupted" traffic through the canal is guaranteed.

In a communique, the canal commission announced that precautionary measures have been undertaken to guarantee the safety of the Panama Canal employees and their relatives, most of them U.S. citizens.

Panama Immigration Director Ruben Alvarez has cautioned that his office has adopted restrictive measures to limit the arrival of citizens with passports from the Middle East and some Asian countries.

Alvarez said that this is to prevent the entrance of subversive groups that may sympathize with the Iraqi cause or with the Iraqi leaders who have threatened to carry out acts of terrorism against U.S. installations.

Meanwhile, Israel's ambassador to Panama, Arryeh Amir, has rejected a statement by former Panamanian President Jorge Illueca at the United Nations. Illueca said that Israel is a "creation" of the United Nations.

The Israeli ambassador said that what Illueca said is "false." He advised the former president to reread the Bible, which narrates the history full of sacrifices of the Jewish people and their desire to stay in their land. He noted: "Israel is far from being an artificial creation. We are talking about the Jewish state, about a people with a history of 3,500 years and in 1947 the world understood that we had an inalienable right to return to our land."

He added that: The Jewish people "will be eternally grateful to the Latin American brothers" who voted in favor of the UN resolution that approved the Constitution of the State of Israel and that permitted its independence on 15 May 1948.

Asvat: 'Unaware' of Insurgency Group EPLN

PA2201163691 Panama City LA PRENSA in Spanish 22 Jan 91 p 1

[Article by Manuel Alvarez Cedeno]

[Text] Ebrahim Asvat, director of the National Police, has said he is unaware of the existence of an alleged Panamanian insurgency group that has threatened to attack U.S. military targets in Panama.

A self-styled Popular Army of National Liberation (EPLN) has sent a communique to several local newspapers claiming responsibility for the recent attack on the U.S. Embassy and threatening to attack U.S. military targets in Panama.

"We are unaware of the existence of this alleged group, and we believe all of this might be part of psychological tactics to try to intimidate the people," Asvat said on 21 January.

The police director said the National Police does not have any report on "such a group," and he added that there have previously been reports about alleged insurgent groups but they have turned out to be false.

"Those responsible for such communiques are only trying to alarm the people," he added.

Student Protest at U.S. Embassy Noted

PA1901001891 Panama City EL PANAMA AMERICA in Spanish 18 Jan 91 p 16b

[Report by Carlos Vargas]

[Text] Pacifist groups and leftist university students held several demonstrations in front of the U.S. Embassy on Balboa Avenue in Panama City on 17 January. These people were protesting against the initiation of the Persian Gulf war. The multinational forces began the war by bombing the city of Baghdad in Iraq.

There were approximately 20 demonstrators and most were young. They protested by singing songs and requesting that there be peace in the world, especially in the Middle East.

Our objective is peace. Our goal is not political; it is to attain peace, Teresa Diaz said.

The university students held a demonstration and blocked the traffic in front of the U.S. Embassy. They arrived at the protest area in a minibus with a painted stripe, indicating that it belonged to the University of Panama.

The university students shouted slogans such as, "Blood for petroleum, no," and "Stop the warmongering policy."

The protests were peaceful. The group was closely watched by U.S. Embassy security personnel and Panamanian policemen.

Peace March Reported, Other Events Planned

PA2201042791 Panama City EL PERIODICO in Spanish 21 Jan 90 p 13

[Text] On 21 January in Panama City, the Committee for the Rescue of Sovereignty will begin a struggle for peace, which will conclude with a public march.

During this period, there will be demonstrations against the war in the Persian Gulf and in favor of a negotiated diplomatic solution of the conflict, a committee spokesman said.

The period will begin at 0900 on 21 January with a pictorial exhibit in the vicinity of the Panamanian

Museum, where the public will be encouraged to join the artists in expressing their hopes for peace.

Also on 21 January, a vigil will be held in front of the U.S. Embassy on Balboa Avenue, beginning at 1800.

On 22 January, the committee will hold a round table discussion in the auditorium at the University of Panama, beginning at 1800. The discussion will center on the war in the Persian Gulf and its effects on Panama.

On 23 January, the Committee for the Rescue of Sovereignty has planned a public march starting at 1600, which will go from the Porras Square to the United Nation's headquarters, where a letter addressed to UN Secretary General Javier Perez de Cuellar will be delivered. The march will then move to the U.S. Embassy.

Costa Rican Arrested for Possession of Grenades

PA2301033291 Panama City CRITICA LIBRE in Spanish 22 Jan 91 pp 14, 32

[Report by Florencio Galvez F.]

[Text] Rafael Eugenio Villalta Quiros, 37, a Costa Rican, was arrested two days ago in the Old Quarter of Panama City by policemen who found three grenades in his possession. Villalta Quiros was unable to explain the origin of the devices.

Villalta Quiros alleged in his defense that he found the grenades in an area close to San Felipe and that he is not linked to illegal activities.

It was learned that two of the grenades in Villalta's possession were type CH-N tear gas canisters, while the other was a CH smoke bomb of the type used for emergency signals.

Villalta denied any involvement with pro-Iraqi or Panamanian opposition radical groups that are suspected of involvement in plans to destabilize the national government.

Meanwhile, there is continuing vigilance at several foreign diplomatic missions in our country in view of insistent rumors that pro-Iraqi groups may soon stage terrorist actions.

Iraqi leader Saddam Husayn has reiterated on many occasions that he will stage attacks on allied countries that are members of what is known as the Multinational Force. This fact has made it necessary to reinforce security at those nations' embassies in Panama.

Government Prepares Fuel Conservation Measures

PA2001233891 Panama City EL PANAMA AMERICA in Spanish 20 Jan 91 p 28B

[Article by Orlando Mendieta C.]

[Text] Roberto Alfaro, deputy minister of commerce and industry, has announced the preventive measures that the government will adopt to minimize the possibility of a shortage of hydrocarbons as a result of the war in the Persian Gulf.

These measures would be: Declare the Hydrocarbons Crisis Commission to be in a state of permanent session; maintain at all times strict control over the distribution of all petroleum products; redouble surveillance and security around oil installations; impose rationing measures as required and recommended by the commission; and place all necessary government resources at the disposal of the MICI [Ministry of Commerce and Industries] to properly implement and supervise the preventive measures that will be adopted.

Alfaro also added that the efforts to save energy in both the private and public sector will be accelerated. He said that the government will stock up on crude oil and refined products.

In the event the situation in the Persian Gulf deteriorates, the government has established possible control and rationing measures such as: establishing a single shift from 0700 to 0300 for government institutions; setting clocks back one hour; and imposing unprecedented quotas on fuel deliveries (from the refinery to the oil companies, and from the latter to their clients).

Other measures would include maintaining strict controls to prevent the hoarding of fuel in the country by the MICI, the ORP [Price Control Office], the Public Force, and the Fire Department.

Alfaro explained that should international oil prices soar or oil shipments to Panama be suspended, the government will take the following measures: Increase the prices of petroleum products according to rates approved by the cabinet; reduce the use of private vehicles by restricting their circulation on specific weekdays based on the last digit on their plates (odd or even numbers); and establish consumption quotas, which may be about 10 balboas per vehicle.

Alfaro concluded that the government will suspend the aforementioned measures, should they be implemented, as soon as the situation in the Persian Gulf is resolved.

Communist Groups Condemn U.S. Role in Gulf

PA2001143691 Panama City EL PERIODICO in Spanish 18 Jan 91 p 9

[Text] A communique issued yesterday by the People's Party demands that the United Nations act to stop the war being waged in the Persian Gulf.

The communique said that the United States did not go to war in the Persian Gulf to defend Kuwait's self-determination just as it did not do so in Panama in 1989. The communique adds that in both cases what is being defended is the United States' geographic and strategic interests and its predominance in the oil region. It adds

that this [U.S.-led action in Persian Gulf] is an effort to minimize the recession that was threatening the United States.

The members of the People's Party say in their manifesto that the war is not advantageous for Panama, because under that pretext, the North Americans will tighten even more the screws of their occupation, which violates all the international norms." [closing quotation marks as published]

The communique says: The Persian Gulf war "is the war of the Northern powers and industrialized countries against the impoverished South."

Also, the Workers' Socialist Party [PST] wholly repudiated the bombardment of Iraq by the United States and the allied forces.

The Panamanian socialists issued a communique terming as "genocide" the action led by the North Americans, adding that "regardless of our opinion about Husayn's position, this is a war provoked by U.S. imperialism—which is prepared to use atomic weapons and to exterminate people who are struggling for the legitimate defense of their rights and natural resources—to defend its economic and political interests."

The PST adds that all these events are possible because those who control the UN Security Council have decreed them. The PST members also criticize the censorship imposed on the media, which only sees and hears what the Pentagon wants.

Furthermore, they urge the Panamanian people to participate in public actions to express their desire for peace and to reject violence.

People's Party To Boycott 27 Jan Elections

PA2001233691 Panama City CRITICA LIBRE in Spanish 16 Jan 91 p 7

[Text] The Political Bureau of the People's Party [PdP] recently issued a communique rejecting the legitimacy of the upcoming partial elections. The communique also states that "we refuse to participate in the elections, as was stated to the Electoral Tribunal in a note dated 31 December 1990."

The communique specifies that this decision is backed by the fact that this regime was illegally established on a military base, as a result of the invasion by the Yankee army. A partial election was accommodated through the "21 December 1989 statute that called for an immediate return to order, to create "a half assembly and a half local government." [as published] This typifies the behavior of a regime that is considered a protectorate [regimen tutelado].

The partial elections are another deceitful episode, likened to the recognition of the annulled 7 May elections. Afterwards, under the U.S. occupation, the results of incomplete tally sheets were compiled to patch together the administration. The objective of this was for the United States to create its own apparatus, fragment the nation, take over the entire territory, and stay in Panama for strategic purposes.

Like everything else the United States has done, these elections are illegal. It is a punishable act and it denies the interest of the majority, which hopes for truly democratic participation, social progress, and national independence without U.S. occupation. It also denies the desire for a consensus on a dignified way out to a nation sick of being deceived and denied the much promised democracy.

The legally registered PdP cannot stand by and let the nation be undermined. This is a historic crime for which our people, more sooner than later, will ask for an explanation.

The PdP calls upon the people in general, and to those directly involved in the partial elections, not to participate in the elections. This will be a clear act opposing the regime protected by the United States. In the same way, we request all patriotic groups, movements, and revolutionary parties to speak out against these elections and call for voters to abstain.

For the Department of Communication of the PdP,
C.F. Changmarin

Electoral Tribunal Charged With Violations

PA2201224791 Panama City EL PANAMA AMERICA in Spanish 22 Jan 91 p 1

[Article by Juan Pritsiolas]

[Text] Attorney General for Administration Dr. Aura Feraud has stated that the Electoral Tribunal violated three articles of the Constitution with the decrees it issued last September, one of which calls for partial elections to be held on 27 January.

The conclusions reached by Dr. Feraud were included in an unconstitutionality appeal filed with the Supreme Court by Leopoldo Falcon, PRD [Democratic Revolutionary Party] candidate for representative for the corregimiento of Pocri.

Falcon described as unconstitutional Decree 96 issued in September 1990, which rejects all challenges, revokes some proclamations, confirms others, and calls for partial elections. He also challenged Decree 97—by means of which the electoral schedule was approved.

According to the Attorney General's Office for Administration, the actions taken by the Electoral Tribunal were not in keeping with electoral code norms with regard to the procedures that must be followed to challenge proclamations, as well as to nullify elections.

The Attorney General's Office for Administration also states that in approving the schedule for the elections, the Electoral Tribunal did not properly comply with its

task of regulating electoral laws, because before dictating such a decree, it should have proceeded to decree the nullification of the elections.

Falcon said that the Electoral Tribunal violated Article 136 of the Constitution because "it disregarded what the Constitution states and adopted an unauthorized decision by rejecting challenges by means of a decree."

"The Electoral Tribunal did not interpret or apply the law and (therefore) "it directly violated by omission" Article 136 of the Constitution, according to Falcon.

Falcon also stated that Article 137 of the Constitution, concerning the attributions of the Electoral Tribunal, was violated because the necessary steps required by the electoral code for proclamations, nullifications, and the convening of elections were not taken.

Attorney General for Administration Feraud noted that Articles 32, 136, and 137 of the Constitution were "violated" by the decrees that have been challenged because the decrees were issued without due interpretation and observance of the law by the Electoral Tribunal.

In the upcoming elections, 190,000 Panamanians should go to the polls to elect nine legislators, 160 corregimiento representatives, and 10 councilmen.

The unconstitutionality appeal must be resolved by a Supreme Court plenum. Jose Manuel Faundes is the Court of Appeals judge in this case.

Ford Suggests Debt-for-Nature Swap to Creditors

PA1801150391 Panama City LA ESTRELLA DE PANAMA in Spanish 15 Jan 91 pp A-1, A-10

[Text] "The exchange of debt for nature programs" is a possibility that must be considered by creditor countries to face the scourge of ecological problems in the 1990's, said Guillermo Ford, vice president and planning and political policy minister. Speaking on behalf of President Guillermo Endara before representatives of countries and international organizations attending the International Donors' Roundtable of the Forest Action Plan of Panama, Minister Ford pointed out that such a study could open new possibilities for Panama and 20 other Latin American and Caribbean countries in preserving national forest resources.

Ford said that one of the government's main goals is to attain accelerated but sustainable development, while maximizing the use of natural resources and, at the same time, maintaining and protecting our environment to ensure a dignified and decent life for all Panamanians.

The International Donors' Roundtable comprised, among others, of ecologists, investors, representatives of the EEC, the United States, The Netherlands, and Canada over the next four days will discuss 53 projects that are part of the forest action plan intended to protect and to apply scientific management to wildlife and national parks. The roundtable will also discuss the promotion of the integral management of hydrographic basins, rehabilitation of eroded soil, and the establishment of the concept of sustained production in forested areas.

Minister Ford, in his capacity as Inrenare [Institute of Renewable Natural Resources] president, pointed out that this effort is intended to obtain the technical and financial support of friendly countries and governments represented at this roundtable, but carrying it out is the responsibility of the government, the private sector, peasant and Indian associations, and non- governmental organizations.

It is important to emphasize that the implementation of this plan over the short term is intended to create 7,300 new jobs; slow down the flight of foreign currency abroad; increase forest production and the revenue of more than 7,000 farmers; stabilize the rural population in the Azuero and Bayano regions; and promote reforestration of 50,000 hectares of unproductive land.

Vice President Ford recognized the important role played by the Indians in the efforts to preserve our "ecological wealth" and develop tropical forest resources. In addition to Ford, others who made important statements at the inaugural meeting included. Dr. Josefina de Baquero, permanent representative of the UN Development Program; Dr. Carlos Marx, representative of the UN Food and Agriculture Organization; and Inrenare Director Dr. Stanley Heckadon. The prayer was led by Reverend Crestar Duran.

Mippe: Economy Registers 3.8 Percent Growth

PA2301015191 Panama City LA ESTRELLA DE PANAMA in Spanish 20 Jan 91 pp B36,B16

[Article by James Aparicio]

[Text] According to a report prepared by the Ministry of Planning and Economic Policy (Mippe), the Panamanian economy registered a 3.8 percent recovery during 1990. This amounts to 1.8463 billion balboas of the gross national product [GNP].

The report, to which LA ESTRELLA DE PANAMA had access, stated that the fishery sector, with 6.2 million balboas, has dropped by 25 percent; transisthmian oil pipeline activities decreased by 22 percent; and government activities fell by six percent.

The figures published by Mippe reveal that the production of mines and quarries rose by 25 percent and the construction sector, with revenues of 38.4 million balboas, improved its dramatic 1989 decrease by 50 percent.

Mippe also assured that Panamanian consumer habits during 1990 resulted in a three percent growth in the

banking sector; 0.5 percent in private property; and two percent in water and electricity.

A spokesperson for Mippe said that "the recovery of private consumption is essentially due to the disappearance of the factors and distrust that characterized the economy over the past two years."

The export of products affected by the U.S economic sanctions in 1989 grew by 11 percent due to an increase in activities in the Colon Free Zone, with 102.3 million balboas, to bananas and sugar. [sentence as published]

With respect to the variation in the consumer price index percentage, Mippe recorded a one percent increase for October and 0.8 percent for the first 10 months of 1990.

The document does not report on the status of employment, unemployment in the private sector, or what effect 13,000 employees being cut has had on the public sector.

Argentina

Government Condemns Missile Attacks on Israel

PY2201225691 Buenos Aires TELAM in Spanish 2221 GMT 22 Jan 91

[Text] Buenos Aires, 22 Jan (TELAM)—The Argentine Government has condemned the indiscriminate missile attacks carried out today by Iraqi military forces against the civilian population of Israel. The nation of Israel is not involved in the conflict and has shown great moderation in view of these great provocations that harm its integrity.

In an official communique issued this evening by the Foreign Ministry, the Argentine Government urged Iraqi authorities to avoid the death of innocent people and to respect UN Security Council Resolution 660, which would make it possible to restore much-desired peace to the region.

Cavallo Claims Iraq Financed Condor Research

PY2301003091 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2258 GMT 22 Jan 91

[Excerpt] Buenos Aires, 22 Jan (NA)—Foreign Minister Domingo Cavallo today charged the previous Radical Civic Union (UCR) administration with "selling missile technology" to Iraq and said that the "Condor-2" vector project was being financed with Iraqi capital.

Minister Cavallo said the money used [words indistinct] project "was Iraqi money with that of the companies associated with Argentina to transfer technology to Iraq."

"This is why, in September 1989, when we received all the information on the project, we made the political decision, which was highly criticized by the UCR, [word indistinct] interrupt the initiative," Cavallo said today during the program "Having Lunch With Mitha Legrand," broadcast by Argentina Televisora Color.

The foreign minister added that Argentina has never transferred nuclear technology to Iraq, and pointed out that the National Atomic Energy Commission "has been very clear and correct in its handling of this matter." [passage omitted]

Cerro, Guadagni Named Defense Under Secretaries

PY2201170491 Buenos Aires TELAM in Spanish 1628 GMT 22 Jan 91

[Text] Buenos Aires, 22 Jan (TELAM)—It has been officially reported that the executive branch has appointed Francisco Eduardo Cerro to be the new defense under secretary; and Alieto Guadagni under secretary of production for defense in charge of technical planning.

Defense Minister Guido Di Tella will preside over the installation ceremony of the new officials tomorrow at 1900 [2200 GMT].

Trade Surplus for 1990 Totals $8.236 Billion

PY1901124291 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1112 GMT 18 Jan 91

[Summary] Buenos Aires, 18 Jan (NA)—An Industry and Trade Undersecretariat reports that the Argentine trade balance surplus in 1990 totalled $8.236 billion and that the country exported a total of $12.079 billion, while imports stood at $3.843 billion. The report adds that in 1990, Argentina imported 8.5 percent less than in 1989 and emphasizes the importance of exports which, "for the first time in Argentine history" surpassed $10 billion.

Charges Against 102 in Dec Uprising Dropped

PY2101165091 Buenos Aires Radio Nacional Network in Spanish 1500 GMT 21 Jan 91

[Text] The Armed Forces Supreme Council has dropped the charges against 102 noncommissioned officers who were allegedly involved in the Painted Faces uprising of 3 December 1990. Colonel (Felix Isla Rodriguez), a spokesman for the council, reported on the decision, explaining that the noncommissioned officers were placed at the disposal of the Army staff, who will decide whether to take disciplinary action against them.

The Supreme Council is questioning Captains Omar Alejandro Munoz and Ricardo Epifanio Almada, and First Lieutenant (Jorge Fernando Huerembe) in connection with the same uprising. The spokesman said that seven officers have already been questioned on the episode, adding that nine others—who are being held at the Magdalena prison—will be questioned on 23 January.

Bolivia

Captured Documents Reveal ELN Activities

PY1901133091 La Paz PRESENCIA in Spanish 13 Jan 91 p 6

[All quotation marks as published]

[Text] (ANF) [Fides News Agency]—The Renewed National Army of Liberation "ELN-R" [Ejercito de Liberacion Nacional-Renovado] reorganized immediately after it was defeated by the Bolivian Armed Forces in Nancahuazu and Teoponte [1967]. During the last decade the ELN has established contact with other armed groups which have sprung up in Bolivia with the purpose of carrying out joint actions. Foreign guerrilla groups were included in this scheme.

Political and military-guerrilla organization documents were found in the computer used by Miguel Nonhuela, chief of the "CNPZ" [Nestor Paz Zamora Commission]

who was killed during the police attack last 5 December 1990. The documents reveal the clandestine activities of the ELN, an organization that was considered defunct given the failures of "Che" Guevara's guerrilla actions in 1967 and of the "Inti" Peredo in 1969.

From the documents it can be deduced that some young politicians decided to reorganize the ELN founded by "Che" Guevara in Bolivia. For this purpose they severed relations with the "old ELN" to make way for a renewed "ELN-R."

This political-military organization chose as its main training and operations center the same place "Che" chose to begin guerrilla activities in Bolivia: Nancahuazu, Santa Cruz Department.

The "ELN-R" general staff organized another regional staff in the Bolivian Chaco, with the objective of creating the social basis for forming a popular armed movement in the regions around Nancahuazu: Samaipata, La Higuera, Tatarenda, Chume, Laguinillas, Ticucha, Ayopaya, and Eden.

On 23 February 1989, the "ELN" regional staff in the Chaco region, made up of those known as Victor, Camilo, Marcelo, Andres, Rosa, America, Luis, and Ernesto, sent a report to the "ELN" general staff on the departure of "nine comrades from the Chaco" and the presence of two others in Chimore and one in Eden.

The report contains an evaluation "of the comrades sent to the area with the purpose of obtaining experience," and it criticizes the general staff members for their absence from the "strategic zone." It requests that a general assembly be held immediately in the area which they qualify as strategic.

Ernesto "Che" Guevara Commission

From the same region in 1989, the Ernesto "Che" Guevara commission sent another report of its accomplishments in keeping with "the general work plan" which allegedly consisted of the political and military preparation of the grass-roots organizations in combat groups.

Miguel Northfuster (Commander Gonzalo, leader of the ELN-R), attributed more importance to the organization's activities in Samaipata, where "there currently are greater political and military activities."

He planned "to incorporate comrades from regions other than Samaipata so that they may begin more serious group work...."

The documents show that the national ELN leadership planned for several of its members to go to the Chaco region to "attend and develop several political programs to prepare the local members."

From the Country to the City

According to the documents, the cell commanded by Northfuster had the mission of organizing "the city combatants." Its goal was to lead the urban guerrillas in the nation.

They then prepared an "economic recovery" campaign which consisted in carrying out kidnappings, robberies, and other criminal activities through which they intended to finance the "ELN-R" organization in the cities and the "revolutionary instruction schools" where the combatant squadrons were supposed to receive political and military instruction.

The Creation of New Armed Groups

The "ELN-R" appears to have information on the creation of "brotherly revolutionary organizations" such as the "red offensive-red ayllus, Pachacutec, Baco, Fal-Zarate Willca, Mariobo, Coordinating Board, and V. Congress." All these groups are ideologically inclined toward armed struggle in Bolivia as a means of waging revolution.

This is why the "ELN-R" has tried to contact these organizations: "Relations with these brotherly revolutionary organizations, according to what was decided in meetings, are as follows: No contact has been made with offensive, contacts with Z (Zarate Willca) have been interrupted, no progress can be reported with Leonor and Los Pachas (Pachakutis).

Another evaluation of the success of the talks points out: "We have not been able to have a serious talk with Bacos due to its lack of cohesion. In May 1990, however, we agreed to create a cell for cooperation with Pachakutis. They have a project to carry out research on political work in the Altiplano region. This project has not been presented yet but it has strategic characteristics. It is not sufficiently defined yet.

Relations With Foreign Guerrilla Organizations

The "CNPZ" mantained close relations with the MIR [Movement of the Revolutionary Left]-Chilean Military Commission [CM], so much so that there were proposals for joint operations. This is revealed in a letter from the "ELN Bolivia" to that foreign organization in October 1990:

"Regarding the financial aspect, we agree with the proposal in principle. A joint operation between the MIR-CM and the ELN seems to be the best solution to the economic problem.

"However, to be honest, the operation requires time and cannot be implemented in the short term.

"Neither can we give you a loan or a donation just now. But we will send you an answer as soon as possible...we are checking on the possibility of implementing such a support together with other sister organizations."

In April 1990 ELN Bolivia revealed the results of a national meeting that concluded with the political consolidation of the organization and the approval of a "general work plan" that was nothing less than the organization's political-military-guerrilla program in Bolivia.

The ELN Bolivia thanks the "Camilista-ELN Union of Colombia" for sending members of the Ernesto "Che Guevara" commission to the country. They are welcome to return any time.

Social Bases

The ELN carried out what the organization calls "work to mobilize the masses" to build social support.

The ELN mentions working with high school and university students and religious and teachers organizations to create "progressive currents" in these social sectors.

The movement stresses "the importance of an alliance between Marxists and religious people which is increasingly strategic and not only tactical."

The ELN that was founded by "Che" Guevara, the organization that carried out the only two guerrilla campaigns in modern Bolivian history, in Nancahuzu and Teoponte, was definitively destroyed with "the liquidation of the Nestor Paz Zamora Commission."

General's Case To Be Heard by Military Court

PY1801145491 La Paz EL DIARIO in Spanish 11 Jan 91 p 1

[Excerpts] Brigade General Carlos Crespo, who was aide of the Armed Forces Command and who has been charged with having made declarations which affected the institution's prestige and image, has been removed from his post, and his case will be heard by the Military Supreme Court.

This was announced by Division General Rolando Arzabe Claver, national defense under secretary. [passage omitted]. The Armed Forces, Arzabe said, were surprised and shocked to learn that a high-ranking chief had made public statements harming the Armed Forces, and given the weight of the charges—unproved—he raised, "he must face the consequences," Arzabe said. [passage omitted]

The defense under secretary said that besides having committed the mentioned offense, Gen. Crespo also ignored his status as a general, whose military rank is absolutely incompatible with the declarations he made. He ignored the natural military channels which regulate the active-duty military activities, Arzabe said, and he added: "Military obedience is a norm that cannot be ignored for any reason."

* Trade With Andean Countries Up 187 Percent

91SM0143A Cochabamba LOS TIEMPOS in Spanish 2 Dec 90 p B-1

[Text] Trade among Andean countries was more than 30 percent higher during the period between January and October of this year, compared to the same period of 1989. These figures come from a study conducted by the Program for Andean Cooperation with Bolivia. Reliable statistics suggest that the country with the highest growth rate was Bolivia, with 187 percent. Its exports to the Andean market totaled $64 million between January and October 1990.

All transactions carried out through October amount to approximately $950 million, already more than the total trade within the Andean Group for the year 1989, $925 million.

The following table shows the results of inter-Andean trade between January and October, in millions of dollars:

	1989	1990	Growth
Bolivia	22.4	64.5	187.2%
Colombia	248.6	268.7	8.1%
Ecuador	131.6	168.8	28.2%
Peru	85.0	57.9	-31.8%
Venezuela	222.5	389.2	75.0%
Andean Group	710.2	949.2	33.7%

Based on the records of the national statistics agencies, it appears that the country with the greatest growth is Bolivia, with 187.2 percent. Its exports to the Andean market totaled $64 million between January and October 1990, compared to $22.4 million for the same period in 1989.

The next most dynamic growth after Bolivia's is that of Venezuela, whose exports climbed 75 percent to a total of $386 million. Next is Ecuador, with a growth rate of 28 percent and an export total of $168.8 million.

Export Products

The Information Unit of the Cartagena Agreement Board reported that just 20 percent of Andean trade corresponds to fuels. The products whose sales increased the most were wetting and cleaning agents, sesame oil, milking machines, and cotton.

Iron and steel plates, aluminum, high-density polyethylenes, and iron and steel pipes are still important factors in trade.

Between January and October of this year, sales of rice, beef and other meats, cane sugar, seed corn, soy cakes, polyethylenthereflate [as published] resins, and polyvinyl chloride took on added importance.

In the case of Bolivia, the principal export products to the Andean market, especially to Peru, are: rice, sugar, soy cakes, wooden beams, and corn.

The Cartagena Agreement Board warns that if the sharp increases in intra-subregional exports that were recorded in November and December 1989 are not repeated, the annual increase in 1990 could be less than the 34 percent projected through last October.

Even so, it is very likely that by the end of the year, trade among the Andean countries, projected at more than $1.1 billion, will be very close to the record levels of the 1979-1982 period, considered the best years for interasubregional trade.

Brazil

Saudi Arabia Decides To Suspend Oil Shipments

Tankers 'Stranded' in Gulf

PY2201173091 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 22 Jan 91

[Text] Saudi Arabia has stopped supplying oil to Brazil. Three Brazilian ships in the Persian Gulf area do not yet know when they will be loaded. The ships, (Jose Do Patrocinio), (Enrique Dias), and (Cairu), can each carry 2.2 million barrels of oil. The ships can transport enough oil to last for six days of consumption. For two days the ships have been at the port of Muscat, Oman, at the entrance to the Persian Gulf. Petrobras [Brazilian Petroleum Corporation] ordered the ships to stop.

The Iraqi Army has mined the Persian Gulf and the Red Sea, which could be another option for loading oil [sentence as heard]. In addition, crew members have been informed that Iraqi missiles hit close to Qatar this evening, where the ships also could have loaded oil.

The Infrastrcture Ministry has assured the population that Brazil will not face any difficulties because oil tankers are stranded in the Gulf of Oman.

The Infrastructure Ministry is waiting for a more detailed report before deciding what position to take. The ministry said that the problem will not affect the gasoline rationalization program which takes into accountthe fact that ships will face difficulties entering the Persian Gulf. Brazil has enough gasoline to last until April in case the supply is completely cut off. However, this is impossible because Brazil produces half of the oil it consumes, and Brazil continues to receive normal supplies from other producer countries, not involved in the war and which are far from the Persian Gulf, even though they are in the Middle East.

Tankers To Load Oil in Iran

PY2301004891 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 22 Jan 91

[Excerpts] The war in the Persian Gulf has interrupted the trip for Brazilian tankers that planned to load oil in the Persian Gulf. The tankers have been in the Gulf of Oman at the port of Muscat, Oman, at the entrance to the Persian Gulf for the last two days. The tankers are carrying 87 crew members. The tankers were ordered by Petrobras [Brazilian Petroleum Corporation] to not continue with their trip because Iraqi forces are mining the Persian Gulf. [passage omitted]

Iran has just calmed down Petrobras because the Brazilian tankers, which were not able to load oil in Saudi Arabian ports in the Gulf, can now load oil in Iranian ports at the entrance to the Gulf. Late this afternoon Petrobras authorized the three Brazilian tankers to enter the Persian Gulf. Petrobras reported that one of the tankers is already returning from Iran loaded with oil.

In Brasilia, the president of the commission that is coordinating the rational use of fuel said that the oil supply problems in Saudi Arabia were predictable. [passage omitted]

Police Chief Denies Bombings Linked to Terrorism

PY2301013891 Brasilia Domestic Service in Portuguese 2100 GMT 22 Jan 91

[Excerpt] Federal Police Chief Romeo Tuma said today that the homemade bombs thrown at churches in Anapolis, Goias State, and Porto Alegre, Rio Grande do Sul State, were not anti-American actions. Tuma added that there are no indications that international organizations are operating in Brazil to carry out terrorism. He said the bombings are a psychological action, and that several telephone threats have been made, but that they do not represent terrorism.

In Anapolis the police have not yet discovered who threw a homemade bomb at the Mormon church in that city. Only after an investigation will the police be able to find the individual responsible for the attack. Police Inspector Derval Bonfin, of the First Police Precinct of Anapolis, said the attack was carried out by someone with Arab nationalist inclinations. He added that the purpose of the bombing was to attack the U.S. Government because a sign was left in front of the church that said: Death to the Americans, long live the Palestinians. [passage omitted]

Economy Official on Future Planning, Prospects

PY2201022891 Rio de Janeiro O GLOBO in Portuguese 20 Jan 91 p 52

[Interview with Antonio Kandir, head of the Economy Ministry Economic Policy Secretariat, by Luis Erlanger and Silvia Faria; place and date not given]

[Text] [O GLOBO] One year has passed since Foreign Ministry meetings were held to draft the economic plan. The new inflationary process seems to indicate that the plan did not work. What went wrong?

[Kandir] We were implementing a program that had real possibilities of reducing inflation to two percent by December when the Gulf crisis broke out. The crisis created a feeling of insecurity and provoked a series of actions that in a country like ours, which has suffered high inflation rates before, was enough to fuel the inflationary process alarmingly.

[O GLOBO] Are you not overestimating foreign influences? The imnbalances began before the Gulf crisis.

[Kandir] The war did not cause the problems. The crisis in the Gulf, increasing oil prices, and the domestic consequences of these problems forced our inflation rate up beginning in August. The worst thing for the country is uncertainty.

[GLOBO] You seem to believe that the war could have a positive effect on the country's economy.

[Kandir] If the solution is quick and if pressures on oil are not great, yes. Our exports to that area are depressed as a consequence of the blockade and the difficulties in getting there. We expect our exports to the Gulf area to increase in the future. We have also suffered the effects of a trend towards world recession. The trend seems to be reversing now if we accept the market euphoria following the first day of war as an indication. Prospects for Brazilian exports are good. As a consequence we expect foreign exchange rates to improve while imports remain unchanged. All this will provoke a positive shock to the economy. If the conflict is resolved quickly, in around 10 days or so, we will witness a positive shock to the economy.

[O GLOBO] The damaging effects of the war on inflation in Brazil are irreversible.

[Kandir] Yes, they are irreversible because preventive price markups have already affected the inflation rate. The positive aspect is that inflation also depends on objectives factors. One of these factors is the price of gasoline, which has not gone up, and the foreign exchange rate, which is currently at a good level. It would be easier to fight inflation if we could eliminate the uncertainty factor.

[O GLOBO] It is an exaggeration to blame Saddam Husayn for the return of high inflation rates.

[Kandir] The reasons, or the group of incidents or economic policy problems, that ignited an inflation rate of that magnitude do not matter when economic agents change their pattern of economic expectations. An outstanding example is what happened with medicines. It was reasonable to assume that the government would implement controls when inflation reached a certain level. People marked prices up to protect themselves from that possibility. This is a defensive pattern of price formation. We must change that.

[O GLOBO] What instruments does the government have to reverse the present inflationary trend?

[Kandir] We need a new fact to show that structural changes will be implemented. This is why we need a political understanding. There are two types of restrictions: our constitution and the political support base.

[O GLOBO] We already had a constitution when the economic team issued the plan. Did you just discover "the constitutional restrictions?"

[Kandir] Much of what was technically proposed by the plan and the way to implement monetary reform depended on changing constitutional restrictions, but we had a different political situation. We thought it would be easier to negotiate structural reforms if we had a very low inflation rate. The program was to reduce inflation with the stabilization program. I am absolutely sure that inflation would have dropped if the Gulf crisis had not broken out. We could have discussed changes easily if inflation had dropped. Now we have to discuss the need for changes in a different light. We began discussing this issue during our first meeting in July. We said then that we were not there to discuss short-term measures but to discuss modernization.

[O GLOBO] What altered this program schedule?

[Kandir] What is happening now is that with the Persian Gulf crisis and the escalation in inflation, the negotiation process has become more urgent and difficult. We now have the major issue of a debate held in 1990 about what makes an economy more modern, how it works, what is the meaning of indexation, and what are the limits of the administration of public accounts. We did our best in terms of fiscal and monetary austerity. To do anything else we will have to discuss the issue from a political point of view. It is true that we do not have the level of inflation that would give the government more bargaining capacity, but in our situation, generalized knowledge about what must and must not be done to stabilize the economy is much greater. The position of important political leaders on the need to do that has improved greatly.

[O GLOBO] A year after Collor approved the stabilization plan while still working with the economy sector team at the Foreign Ministry office assigned to him by former President Sarney, what positive results has the plan yielded?

[Kandir] The first positive result, which represents a fulfillment of the plan's two primary goals, was the prevention of hyperinflation and recovery of the capacity to implement a short-term economic policy. Important steps toward structural changes in our economy were also taken. We have eliminated all quantitative control of imports and have prepared a tariff reform that will be announced this week. For the first

time since 1947, the economic agents are using foreign trade as a reference for what they must produce and how they must produce it. The decision on what to produce is conditioned to foreign competitiveness. We have also introduced certain ideas, such as the search for quality and competitiveness and the certainty that public funds will no longer be used to protect national industry. It has become clear that whoever wants to produce something will have to be competitive. Discussions over indexation have also increased favorably.

[O GLOBO] Nonetheless, the plan is being defeated by informal indexation, and the arguments about salary reindexation are not finished. As a matter of fact, they are being rekindled.

[Kandir] I would say that this is not quite so. Informal indexation occurs in any country that still has a high inflation rate. We can see, however, that congressional debates on indexation have changed entirely. Congressmen now talk about keeping salaries low, but not about an overall indexation of salaries. The only remaining problem is that, as a consequence of the Gulf crisis, we could not force the inflation rate further down.

[O GLOBO] In the current situation, are there still conditions for further reducing inflation in the short term?

[Kandir] I am sure that if we really have a serious discussion about the pillars of an effective stabilization and about what fundamental structural changes must be undertaken, we will create adequate conditions for reducing inflation. The timing [preceding word in English] for that depends on the political treatment of the issue. We have avoided hyperinflation, we have recovered the instruments of a short-term economic policy, we have learned a lot about indexation and competitiveness, the economy has become more open, and some points of the privatization program have been prepared. So far, there have been no concrete results because the government decided to implement an honest, good faith program that is not liable to questioning.

[O GLOBO] Is the decision on and the timing for the suspension of price controls currently deemed correct although they caused a series of infractions by the oligopolies?

[Kandir] There are two areas in which we made no improvements: One is tied to our slowness in reacting to the Gulf crisis. We had difficulty in immediately conveying the possible consequences of the crisis, in pointing out the effect it would have on the inflation rate, and in warning about the need to share the losses equally. The other difficulty, which is structural and more complex, is that the process of economic freedom and deregulation must be accompanied by the institutionalization of a fair economy in which all attempts at abusing economic power can be easily fought. This issue is much more profound than price controls. It calls for the creation of a legal system and a control, supervision, and intervention capacity that we were not able to create. This issue calls for one of the broadest structural reforms of current times: To institute a legal system that really functions. To have excellent laws is not enough. From the constitutional point of view, Brazil, for example, has one of the best legal systems for environmental protection. There may be no other country, however, where the problem is so badly dealt with from the practical point of view. It is no wonder that the so-called inflationary culture can be installed so easily in countries with these characteristics.

[O GLOBO] During their campaigns, the state governors who were recently elected fought the idea of recession and of dismissing public employees, etc. How can they be convinced to negotiate an agreement based on sharing foreseen sacrifices?

[Kandir] If the negotiation has to be undertaken, there is no better way of starting it than by making it clear that no one likes the idea of recession. We have never, by any means, made projections on inflation or the level of economic activity. We have established a very austere monetary and fiscal program, compatible with the stabilization of inflation. The consequences of that, in terms of recession or not, will depend on the economic agents. If the agents show doubts about the effectiveness of the policy, we will have the worst recession yet. We have never wanted to have recession. On the contrary, if there is more recession and more inflation, we will have more difficulty in sustaining economic policies. More inflation and more recession mean less tax collection. For the government, the inflation-recession combination is inevitable, but also a great source of concern. If this combination lasts very long, it will begin to destabilize policy projections. The governors can also be badly hurt by increased inflation.

[O GLOBO] Will the rescheduling of the states' domestic debt be an issue that will be negotiated with the governors?

[Kandir] Each case has its own particular features.

[O GLOBO] Some months have already passed and there is no solution to the foreign debt problem in sight. What is the economic team's appraisal of the negotiations?

[Kandir] Considerable progress has been made in connection with the government's stand on the issue. The negotiations were based on an elementary principle: We are ready to talk about everything provided that it does not involve higher inflation. A higher inflation rate would be negative, not only for Brazil but also for the creditors. Despite the fact that the proposal was at first difficult to understand and that there were doubts about whether it enjoyed political support, creditors now realize that it does have support and this makes it possible for negotiations to enter a more objective phase.

[O GLOBO] If it were possible to return to the past, what changes would you introduce in the plan?

[Kandir] The most important mistake could have been the inability to clearly outline the reason for each decision. In general, there were problems with the population. The team was deeply involved in designing projects and this hindered communications. Considering that the economic policy would not bring attractive results immediately and that it would call for sacrifice, the government could only promise austerity; this made the communication and dissemination work a lot more stressing.

[O GLOBO] The government also failed to break the administration's resistance to budget cuts...

[Kandir] Right, that is another situation in which we were incompetent because if the administration was resistant to reform, we should have mobilized society, creating political pressure to implement it.

Another absolutely essential mistake was the lack of an efficient legal system to punish economic crimes.

[O GLOBO] Is the stabilization plan facing a dilemma of continuing with the orthodox approach or introducing less orthodox measures?

[Kandir] We believe we reached an inflation rate at which the expectations of economic agents hinder the fight against inflation. Such expectations have made the economy more vulnerable to acceleration. What should be done in this situation? Any other economic solution will certainly fail because the central issue is a change in expectations. Today's major expectation focuses on whether it will be possible to introduce some structural changes. Modification of the policy without the implementation of structural changes could yield short-lived success, but the inflationary process would return. The economic team is convinced that any set of technical alternative solutions is bound to fail if there are no political conditions for introducing structural changes.

[O GLOBO] The Brazilian economic problem then has a political nature?

[Kandir] Right. I have been aware of that for some time now. We have always spoken about three phases in politics. The first one was to end hyperinflation; the second, to keep inflation under control; and the third, to prepare the political process for introducing structural changes. I am sure that with the current inflation rate, political negotiation remains the central task . The president has made significant steps in this regard, not only by placing Justice Minister Jarbas Passarinho in the process of negotiations with the governors, but also by promoting a country model that should now be debated from a political viewpoint. Resolution of the inflation problem now calls for political steps.

[O GLOBO] The problem is that the economic team has preached an economic policy that, in the opinion of the team, promotes progress. This policy includes bold measures, but the government's political base is considered conservative...

[Kandir] Right. We count on everyone's generosity. I hope the problem will be understood in its real magnitude.

[O GLOBO] Does the conclusion that the fight against inflation calls for political mobilization mean that the possibilities for controlling the inflationary process only through monetary and fiscal measures are being exhausted?

[Kandir] It is important to reach a political solution because in 1990 we enforced a comprehensive fiscal adjustment that will continue in 1991. Yet, the economy cannot stand prolonged monetary and fiscal strain. Poverty, education, health, and other sectors pose problems, the resolution of which cannot be postponed for too long. If this happens, the plan will lose political support; however, if we have to choose between social programs for the lower income brackets and a program that would reduce the inflation rate, I am sure it would be better to continue with an austere fiscal policy. Economic agents are not very likely to believe that the inflation rate has been controlled on the basis of the fiscal policy, considering the growing social demands.

[O GLOBO] How will the situation change with the prospects for an agreement?

[Kandir] If you begin to work out a political agreement that provides for support for the economic policy, the capacity to reduce inflation will grow because it will affect the expectations of economic agents. We can continue to operate through the fiscal policy, but we will have more possibilities if there is understanding, which would allow us to create new fiscal sources, based on the new Constitution. This would yield funds for essential social needs, reducing social stress.

British Newspaper Admits Error in Collor Report

PY2201140891 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 22 Jan 91

[Text] The British newspaper SUNDAY TIMES has apologized for a report critical of the Brazilian Government. Presidential spokesman Claudio Humberto Rosa e Silva reports how President Collor de Mello reacted to the newspaper's retraction.

[Begin Rosa e Silva recording] President Collor reacted quite naturally to the British newspaper's attitude. We consider it an exemplary attitude because, after all, that newspaper published lies about the president and Brazil, and it is retracting those lies. It is an exemplary attitude indeed; more so because the newspaper, in a gesture of apology for the damage it caused, offered to make an important monetary contribution to a charity organization to be eventually chosen by the president. [end recording]

Rosa e Silva then explained that President Collor is considering whether to accept the British newspaper's offer. The SUNDAY TIMES asked that the amount of the contribution offered not be made public.

Trade Surplus for 1990 Totals $11.027 Billion

PY2201174291 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 22 Jan 91

[Text] The Brazilian Department of Foreign Trade announced today that the country had a trade surplus of $1.07 billion in December 1990 and that the total trade surplus for 1990 reached $11.027 billion.

Sao Paulo Industries Lay Off Over 33,000 in Jan

PY2201223691 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 22 Jan 91 p 1

[Summary] The number of people dismissed in the first two weeks of January has surpassed all dismissals in the month of January for the last 10 years. The Sao Paulo Industries Federation Statistics Department has reported that 33,798 workers were dismissed in these two weeks.

Chile

Two U.S. Companies, Mormon Churches Bombed

PY2201181891 Madrid EFE in Spanish 1621 GMT 22 Jan 91

[Text] Santiago, 22 Jan (EFE)—Two Mormon churches and two U.S. companies were attacked with bombs last night and at dawn this morning in the cities of Vina del Mar and Valparaiso, police sources reported.

Amongelatine and irenite bombs weighing 250-300 grams were thrown at the Comveq Company, a Ford subsidiary, and the Williamson Company, a Coca Cola Company subsidiary, headquarted in Vina del Mar. According to the police, there was damage but no personal injuries.

Similar attacks were directed at two Mormon churches, one in Vina del Mar and another in Valparaiso, 125 km northwest of Santiago.

Also in Iquique, 1,857 km north of Santiago, Carabineros (Chilean militarized police), who were alerted by an anonymous phone call, defused a bomb planted at a Mormon church.

The police asserted that although no group has claimed responsibility for the attacks, they might be the work of some pro-Iraq organization.

A self-styled Anti-imperialist Revolutionary Front announced last week that it would attack U.S. interests if the United States did not halt attacks on Iraq and that 15 targets had been selected.

Following that announcement, Mormon churches and branches of U.S. banks were attacked, causing no casualties.

Monday the ultraleftist Manuel Rodriguez Patriotic Front (FPMR) aimed fake rockets at the Israeli Embassy and at the residence of Israeli Ambassador to Chile Daniel Mokady.

Cardoen Withdraws Saudi Arms Export Application

PY2201180691 Santiago Radio Chilena Network in Spanish 1600 GMT 22 Jan 91

[Text] Entrepreneur Carlos Cardoen has desisted from selling weapons to countries at war in the Persian Gulf. Cardoen released a public declaration saying that his decision considers the highest Chilean interests in the area.

Cardoen added that he was withdrawing his application for arms exports so as not to force Patricio Aylwin's government to make a decision on the matter. Last week's announcement that Cardoen had applied for government authorization to sell weapons to Saudi Arabia provoked widespread negative reactions. Cardoen withdrew the application while the government was still studying the situation.

Ship To Evacuate Citizens Residing in Israel

PY2201215691 Santiago Television Nacional de Chile Network in Spanish 1700 GMT 22 Jan 91

[Text] Foreign Minister Enrique Silva Cimma has said that Chile and an international migration organization have agreed to charter a ship to Cyprus to bring Chileans, now in Israel, home from Cyprus. The minister said that the possibility of chartering a plane to bring back those Chileans is highly unlikely.

[Begin recording] [Unidentified reporter] Mr. Minister, do you support the action by Foreign Ministry official Marcos Alvarez?

[Silva] He has provided us with information, and through him, we have obtained a list of the 110 or 115 illegal Chilean residents who are in Israel and are not registered at the Chilean Embassy. We learned about them as a result of the Persian Gulf situation. We are obviously trying to help them within our capabilities.

[Reporter] Even the Israeli media have been critical....

[Silva, interrupting] We should not worry about criticism, but about the possibility of resolving problems. The Israeli ambassador has already returned, or is returning, to his country to complete the process of repatriating the Chileans who are still there. [end recording]

The minister added that it is not fair for the Chileans residing illegally in Israel to request to be sent to other countries. This, he said, is a repatriation.

Government Voices Regret Over Lithuanian Unrest

PY2201114291 Santiago Radio Nacional de Chile Network in Spanish 1000 GMT 22 Jan 91

[Text] The Chilean Government has expressed regret over incidents in Lithuania affecting many innocent people.

The government released a public declaration stating: The Chilean Government is carefully watching, and it is deeply concerned about, recent and regrettable incidents in Lithuania affecting many innocent people.

The communique adds that the Chilean Government considers unwavering respect for human rights to be one of the primary pillars of its foreign policy and regrets when these rights are violated anywhere in the world.

Central Bank Releases Foreign Debt Statistics

PY2201183291 Madrid EFE in Spanish 2302 GMT 15 Jan 91

[Summary] Santiago, 15 Jan (EFE)—On 15 January the Central Bank reported that during the first 10 months of 1990 the Chilean foreign debt grew by $836 million, and that on 31 October 1990 it stood at $17.088 billion. The bank added that on 31 October 1990 the public sector's debt amounted to $11.366 billion and the private sector's debt to $5.722 billion.

Of Chile's total debt, $13.772 billion corresponds to medium- and long-term obligations, and $3.316 billion to short-term obligations.

Christian Democratic Party Leader Assumes Post

PY2201231091 Santiago Radio Cooperativa Network in Spanish 2200 GMT 22 Jan 91

[Summary] Felipe Sandoval, former president of the Christian Democratic Youth, has assumed the post of Christian Democratic Party national secretary general. In his first news conference, Sandoval said his primary objective will be to strengthen the party's basis.

Colombia

Two Medellin Cartel 'Hired Assassins' Killed

PA2201191391 Bogota Inravision Television Cadena 1 in Spanish 1747 GMT 22 Jan 91

[Text] With the death of Ricardo and Armando Prisco Lopera, the most fearful group of hired assassins in the country has reached its end, the national police reported today.

The Prisco family worked for the Medellin Cartel for over six years, participating in countless kidnappings and assassinations, including the murder of EL ESPECTADOR director Guillermo Cano.

Last night during an operation conducted by the elite police corps in southwest Medellin, David Ricardo Prisco Lopera, considered by the authorities to be the ninth-ranking man within the Medellin Cartel, was killed. Subsequently, in another operation conducted early this morning in La Cabecera Road, Rio Negro Municipality, Antioquia Department, police killed Armando Prisco Lopera. According to the Fourth Brigade, the frightful Prisco Gang, which according to authorities was one of the most bloodthirsty in the Aburra valley, has thereby been dismantled.

On several occasions, David Ricardo Prisco had been accused by DAS [Administrative Department of Security] Director General Miguel Alfredo Maza Marquez as being one of the persons directly involved in the assassinations of Justice Minister Rodrigo Lara Bonilla, the 1st Higher Court judge who was investigating the death of the minister, Attorney General Carlos Mauro Hoyos, Magistrate Hernando Baquero Borda, Antioquia Governor Antonio Roldan Bethancourt, EL ESPECTADOR Director Guillermo Cano, and the unsuccessful attack against Congressman (Alberto Villamisar).

His brother, Armando Prisco Lopera, faced two arrest warrants. He was accused of theft and fleeing the Bella Vista prison in 1988.

Rebels Destroy Vehicles, Pipeline Machinery

PA2201193391 Bogota Inravision Television Cadena 1 in Spanish 1747 GMT 22 Jan 91

[Text] The scene is one of desolation and destruction after an incursion by the Simon Bolivar National Guerrilla Cooardinating Board [CNGSB] in Remedios, in Antoquia Department. The rebel attack—which was carried out yesterday by a group of 180 rebels—took place in two work areas of the Colombia pipeline along the Bosconia-Covenas stretch. Here in La Ceiba, one hour away from Remedios, the rebels set fire to 30 vehicles and exploded several bombs.

They carried out a similar operation in El Chiquillo area with the same results. The scenes speak for themselves. As can be seen, nothing can be salvaged of all the heavy equipment used by 1,800 welders, pipeline workers, and engineers of the French-Colombian company that was building the project at the two sites. Nobody knows what will happen next because these workers have been dismissed, as happened with the workers that were the victims of the first attack by the CNGSB and ELN [Army of National Liberation] in Zaragoza. The work has stopped, the machinery and vehicles have been destroyed, and now there is the uncertainty over the project's future.

Police Create Special Bogota Antiterrorist Unit

PA2201215791 Bogota EL TIEMPO in Spanish 15 Jan 91 pp 1A, 7A

[Edgar Tellez report]

[Text] A special force, consisting of 97 men armed with modern weapons and supported by helicopters and

armored personnel carriers, was created yesterday to deal with guerrilla acts of terrorism in Bogota.

Three officers, six noncommissioned officers, and 88 agents, trained in the United States and by Israelis, will take up positions in strategic areas north and south of Bogota and will operate as a reaction forces whenever terrorist actions take place.

At the same time, this unit will receive logistical support from 10 explosives experts and 20 secret agents who will gather intelligence information. This commando unit was established by the National Police General Directorate and its men were selected from the Special Operations Group [Grupo de Operaciones Especiales] (Goes), the Special Anti-Extortion and Kidnapping Corps [Cuerpo Especial de Antiextorsion y Secuestro] (Copes), and the explosives laboratory of the Directorate of Judicial Police and Investigations (Dijin).

These men were trained with the U.S. special forces and had Israeli instructors. They are experts on explosives, storming buildings, and helicopter operations. They were selected to form the Bogota Antiterrorist Unit [Unidad Antiterrorista de Bogota] (UAB), set up by the National Police to keep Bogota from becoming a center of guerrilla attacks. Called to join the UAB were the best men from Goes, Copes, and Dijin's explosives laboratory. The new anti-guerrilla unit will receive the support of a special intelligence group consisting of 20 men who are tasked with gathering information on terrorist movements and activities in the city's urban area. Colonel Jose Leonidas Camelo, until yesterday commander of Bogota's Metropolitan Police, told El TIEMPO that the UAB will be divided into two groups deployed at strategic places north and south of Bogota, supported by helicopters and armored personnel carriers.

The antiterrorist unit has modern weapons, bulletproof vests, and special overalls supplied by the U.S. Government. Its 97 men will act as a reaction force whenever public order is disturbed. "They can also assist police precincts of nearby towns, which could be attacked at some point."

Camelo said that part of the success of this new operation depends on the support of the people. "We have found that in some cities, the guerrillas enter homes and subdue the residents to prepare ambushes against the public force," he remarked.

As EL TIEMPO reported, the intelligence services have discovered that a offensive by the urban cells of the Revolutionary Armed Forces of Colombia (FARC) and the Army of National Liberation (ELN) may be carried out in some cities, chiefly Bogota. This is the implementation of previously prepared plans that will be put into effect in reprisal for the military occupation of FARC strongholds in the mountains of La Uribe, Meta Department.

Government Approves Decree Pardoning 2,000 Rebels

PA2301035091 Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 23 Jan 91

[Leyla Ponce de Leon report]

[Text] The government, in a decree approved today, virtually gave the green light to more than 2,000 members of the EPL [Popular Liberation Army], PRT [Revolutionary Workers Party], and Quintin Lame to rejoin civilian life within the next few days. The legislative decree was issued this afternoon after a series of discussions and negotiations that have taken place between the government and the three armed groups since last year. The doors to the Constituent Assembly have been virtually thrown open thanks to the effectiveness of the pardon. The government has set a 15 March deadline for the EPL to appoint their two representatives and the PRT and Quintin Lame to elect their respective spokesmen.

[Begin recording of Government Minister Humberto de la Calle] This is an event that is both collective and individual in nature. In other words, each person must state his intention to rejoin civilian life, but simultaneously, the organization itself must cast aside its weapons. For the PRT, this will take place on 26 January, and for the EPL, on 1 March. [end recording]

However, groups such as the ELN [Army of National Liberation] and the FARC [Revolutionary Armed Forces of Colombia] cannot take advantange of this new pardon law. Minister De La Calle indicated that although the government does not rule out the possibility of dialogue, for the time being, the conditions do not exist for negotiations with these two armed groups.

ELN Said Helping FARC Raise Military Power

PA2101183791 Bogota EL TIEMPO in Spanish 13 Jan 91 p 3A

[Text] The counteroffensive ordered by "Tirofijo" [Revolutionary Armed Forces of Colombia, FARC, leader Manuel Marulanda] in the wake of the occupation of the FARC headquarters, Casa Verde, has had an unconditional ally: the ELN [National Liberation Army]. So much so that it has been confirmed that the ELN has sacrificed its own name in an attempt to yield space to and increase the presence of FARC in areas where it had been unable to deal forceful blows.

Once the myth of the secretariat's invincibility was destroyed, the ELN was forced to accelerate the implementation of agreements reached in October 1990—following the death of FARC founder and ideologist Jacobo Arenas—between ELN leader priest Manuel Perez and FARC commanders in the mountains of La Uribe.

There are three examples of this "small aid" that have prompted military intelligence experts to have no doubts that the ELN is interested in helping its Simon Bolivar

Guerrilla Coordinating Board partner demonstrate that it has a military apparatus that is again capable of bringing the government to the negotiation table.

On 18 December an alleged FARC column destroyed an Aires Airline plane and a Helitaxi Company helicopter, and dynamited the facilities of the Villagarzon Airport in Putumayo.

The National Police, however, attributed the attack to an ELN cell headquartered in a rural area of La Hormiga Municipality.

Attacks on the pipeline and a stretch of the Pacific Railway on the first day of 1991 were also claimed on behalf of FARC.

FARC Leader on Government Dialogue Progress

PA2201155791 Bogota EL NUEVO SIGLO in Spanish 14 Jan 91 p 6

[Report on statements by Manuel Marulanda Velez, alias Tirofijo, Revolutionary Armed Forces of Colombia "top leader" in La Uribe; place and date not given]

[Text] The passage of time and of war seems to have given the Revolutionary Armed Forces of Colombia [FARC] top leader Manuel Marulanda Velez, Tirofijo, a gift that no other mortal can enjoy: ubiquity.

Thus, while military officials in Bogota were saying that he had been defeated and had fled to the eastern mountains to try to establish himself there, he was talking with the media from La Uribe to reiterate his proposal of dialogue with the government.

This proposal has divided public opinion. There are those who maintain that it would be best to seek a political solution to the armed conflict, while others say that force is the only way to end the war.

Now Marulanda has spoken again. This time his proposals were more specific and emphatic: There will be a dialogue with the government only if the government withdraws its troops from Casa Verde, the FARC headquarters, suspends operations against FARC throughout the country, and expresses its commitment to peace. Otherwise, it will be impossible to resume the talks, according to Tirofijo.

Another guerrilla commander, Pablo Tejada, a member of the National Liberation Army (ELN) leadership, also expressed himself in terms similar to those used by Marulanda.

Marulanda acknowledged that the ELN is currently cooperating with FARC. "We greatly appreciate this gesture of solidarity," Marulanda said.

In his new statement, the guerrilla leader spelled out for the first time his aspirations regarding the National Constituent Assembly: The subversive organizations that make up the Simon Bolivar Guerrilla Coordinating Board (CGSB) want to be present in the assembly.

Their participation, however, must take place with all possible guarantees provided for the guerrillas.

Indeed, Marulanda said that FARC and the ELN should each have eight representatives in the Constituent Assembly.

He added that the dissident faction of the Popular Liberation Army headed by Francisco Caraballo, which has joined the CGSB, should have four spokesmen in the assembly.

In other words, Marulanda hopes for 20 representatives in the assembly, which is to be made up of almost 100 members. His proposal would mean that one-fifth of the representatives would be demobilized subversives.

The figure is obviously excessive. Marulanda is perhaps hoping to negotiate the number of representatives and the conditions under which they would participate in the assembly. All of this is subject to whether or not the talks resume, however, which seems remote.

The assembly should discuss and reformulate concepts such as that of national sovereignty and popular sovereignty. In addition, it should propose a reduction of the Armed Forces and of the Armed Forces' budget, according to Tirofijo.

A dialogue of the deaf? A double standard? The government and the armed subversives are further apart than ever for a rather strange reason: The government, FARC, and the ELN all believe that at present the climate is not right for a possible resumption of talks.

The government blames the subversives for having disrupted the national climate, while the rebels charge the government with having caused this disruption.

According to Marulanda, it is now up to the government to demonstrate its desire for peace. He said: "We have always wanted to find a political solution to the war. In fact, two days before they entered Casa Verde, we expressed our desire to participate in the Constituent Assembly, but all the government did was order the operations against our secretariat."

He stated this to several journalists from the Chamber of Representatives' Newscast, which interviewed him over the telephone.

"We currently have some problems finding a political solution to the conflict. This includes the fact that we are located in the same zone where there is fighting with the Army. There will be a lot of complications as long as the troops remain there," Marulanda told journalists.

The guerrilla leader said he is willing to meet with a Chamber of Representatives' commission to seek the non-demobilized subversives' participation in the assembly and to find a political solution to the conflict.

"We are willing to meet with a Chamber commission, but it must be in La Uribe. The president must withdraw the troops from the zone and suspend operations against FARC throughout the country. It is hard to talk while we are being bombarded and attacked by the Air Force every day," he said.

In addition to the dialogue with the Chamber of Representatives, FARC has stated its wish to meet with a delegation of the Spanish Government and Red Cross International. This would help internationalize the armed conflict even more. The government has yet to state its views on the issue.

During his talk with the journalists, Marulanda reasserted that FARC is not responsible for the current situation.

"We are not responsible for what is currently happening. The military troops attacked the secretariat's camp on 9 December at 0800 and 1000. Everything was destroyed. This caused the guerrilla groups' reaction. This must be taken into consideration, therefore, when starting to define who is responsible for declaring war on us."

Marulanda believes that President Cesar Gaviria must say when and under what conditions the talks can be renewed.

"We are prepared to talk with the president right now, but the president must clearly state with whom we will deal: The military high command or him. We want to define who rules the country," he said.

Marulanda reasserted that the guerrilla actions are a reaction to the operation carried out in La Uribe against FARC: "The attack resulted in the destruction of all the camps. Then the president of the Republic declared war on us and, consequently, we have been dealing these blows."

He also said that the Army is being consolidated in La Uribe. Nevertheless, "we are still there. We are not exactly 100 meters away, but we are certainly there."

"What the media has stated is not true—saying that we are in Huila; that we are coming out to the Pacific; that we are in Cartagena; or that we are starving to death. That is simply speculation from the military commanders," Tirofijo said.

FARC Reacts to Army Attack on Headquarters

PA2101192391

[Editorial Report] Bogota EL TIEMPO in Spanish on 13 January on page 3A reports on reactions by the FARC, Revolutionary Armed Forces of Colombia, to the Army's occupation of its headquarters in Casa Verde on 9 December 1990.

The article begins by saying that FARC leaders Manuel Marulanda Velez, aka Tirofijo, Alfonso Cano, Raul Reyes, and Timoleon Jimenez have recently been conveying their orders from a site located on the banks of the Papaneme River, "which have led to 84 terrorist attacks being carried out in 18 departments and five intendancies, in which 64 members of the Armed Forces and 26 civilians have been killed."

The first FARC attack came on 14 December. Explosive devices blew up power installations in Caceres, Antioquia Department, leaving seven coastal departments without partial power. The FARC then began blowing up oil pipelines and other oil installations between 1 and 7 January. Within the space of 10 days, the guerrillas blew up "22 vehicles, three relay stations, two airplanes, two bridges, an airport, and a stretch of railroad," but the article did not mention the places where the attacks were carried out.

According to the report, the FARC started to carry out terrorist attacks in urban areas "for the first time in many years." Eight attacks took place in Medellin, Bogota, Santa Marta, and Cartagena, "where three police patrols, an electric generator, and an electrical tower were the targets of the so-called Tactical Combat Units (UTC)." The attacks are generally carried out by groups of four guerrillas, who stage surprise attacks, but on 12 December seven guerrilla fronts conducted attacks against an equal number of targets in Antioquia, Meta, Santander, and Arauca, the article states.

The report adds that the Colombian Army's response to the FARC attacks have left "31 guerrillas dead and 17 captured in the first 10 days of January." An Army officer, who asked to remain anonymous, said the Army's offensive is effective, even though it is not as publicized as the terrorist attacks.

Law Creating Foreign Trade Ministry Approved

PA1801150291 Bogota EL TIEMPO in Spanish 11 Jan 91 p 9A

[Text] President Cesar Gaviria yesterday enacted the framework of a law that includes a number of instruments to promote our economy abroad. The initiative paves the way for the establishment of a Foreign Trade Ministry. In addition the Exports Promotion Fund (Proexpo) will become the Foreign Trade Bank. President Gaviria noted the importance of the new law and said that through it the sources of conflict within the Finance and Public Credit and Economic Development Ministries will be eliminated.

OAS Envoy Named Political Commission Chairman

PA1901180691 Bogota Radio Cadena Nacional in Spanish 1200 GMT 18 Jan 91

[Text] On 17 January, Julio Londono Paredes, the Colombian ambassador at the OAS, was appointed chairman of the organization's most important commission: the OAS Political Commission.

The decision came after the nomination of Londono Paredes, made by the Government of Uruguay, was unanimously accepted .

Colombia is the new president of the political commission of this inter-American organization.

Paraguay

President, Others React to Outbreak of Gulf War

PY1901122891

[Editorial Report] Asuncion ABC COLOR in Spanish on 18 January publishes several pages of reportage on and reaction to the events in the Persian Gulf area.

A 300-word item on page three reports on a 17 January demonstration staged by some 150 members of leftist political parties and groups in front of the U.S. Embassy. During the peaceful rally that lasted some 40 minutes, the demonstrators burned U.S. flag to "protest another crime perpetrated by U.S. imperialism," according to one of the speakers. Some 100 policemen watched the demonstration.

A 250-word item on page four reports on a communique issued by the Paraguayan Communist Party. The communique calls for "the withdrawal of Iraqi troops from Kuwait and U.S. troops from the Persian Gulf zone, as well as a solution to the Palestinian people's problem." The communique ends with an expression of support for peaceful demonstrations held by various national sectors and by a group of artists in front of U.S. Embassy.

On page eight ABC COLOR carries a 500-word report on an interview with Paraguayan Defense Minister General Angel Juan Souto Hernandez who states: "The Armed Forces are not on state of alert and have no reason to be so." Furthermore, he notes: "Our activities continue to develop normally. We are far away from the conflict, and I do not believe it affects us at all at this moment." Asked whether any special measures had been adopted, Minister Souto says that "stricter security has been implemented at Silvio Pettirossi airport and other routes of access." After criticizing Saddam Husayn for leading his country to destruction, Souto says: It should be understood that this war, as it was planned, must pursue a single goal; that is, the victory of the allied forces."

A 600-word report also on page eight highlights remarks on the subject by President Andres Rodriguez. He says: "I greatly regret that war, which nobody ever wished, has broken out. We are all perfectly aware, however, that many efforts were made to prevent it and to have peace prevail." Recalling those efforts he notes: "Economic sanctions and blockade were implemented. Pope John Paul II even offered to go and beg that war be averted, but obviously the inflexible side of the human being has inevitably led to war and once again marred world's peace." Rodriguez regrets the deaths of innocent people and adds: "We pray from here to God Almighty and to our Virgin of Caacupe that peace will prevail again soon in the world and that the consequences of war will not have a negative impact on mankind."

Page nine carries a 300-word report on the 90-minute meeting held by the economic team at government house. According to Washington Ashwell, executive secretary of the Technical Planning Secretariat, "the government has not drawn up any emergency program in view of the outbreak of war in the Persian Gulf." He also states that President Rodriguez "confirmed that the Argentine president personally offered during a phone call to guarantee the supply of oil and its by-products for our country if needs be." Finally Ashwell notes that there is no need for price or exchange rate controls.

General on Possible Consequences of Prolonged War

PY2101171491 Asuncion ABC COLOR in Spanish 20 Jan 91 p 3

[Text] Division General Ramon Humberto Garcete, commander of the 1st Army Corps, has conveyed his desire that the Persian Gulf war end soon because "sooner or later, our country will suffer its effects." He added: "We can neither underestimate a confrontation of this magnitude nor say that it will not have consequences. It will indeed have consequences if it lasts long."

Garcete believes that the war must end soon because, if it lasts long, it will definitely have negative consequences to us, no matter how far we are from the area of conflict. He noted that nothing is as destructive as war.

Garcete said that the United States and the allied forces will use even more violent means to shorten the confrontation. He said: "I believe the United States was forced to take action because, otherwise, it would have appeared as though the United States was failing to honor its commitments."

Garcete added that this cannot be a lengthy war because many men using very sophisticated weapons are confronting each other in this conflict. He added: "It is extremely expensive for both sides."

Garcete added that it would be desirable for Israel not to participate in this war because otherwise the situation would become unpredictable. He noted that if Israel decides to participate it will cause the United States to lose some of its allies. He said: "I believe that Iraq is smart in trying to drag Israel into the war to destroy the unity of the allies."

He added: "I believe, however, that this will not happen because the Israeli Government and people are well prepared. I believe they will be patient enough not to respond to the Iraqi attacks."

Garcete regretted the large number of innocent lives that are being claimed by this war. In a clear reference to

Saddam Husayn, he said: "There is no reasonble justification for this war, but unfortunately there are intransigent men who apparently have no regard for the lives of others."

Communist Leader Blames U.S., Iraq for War

PY2101175291 Asuncion HOY in Spanish 20 Jan 91 p 15

[Text] Ananias Maidana, general secretary of the Paraguayan Communist Party, PCP, has denounced the U.S. and Iraqi Governments' alleged responsibility in the Persian Gulf war and has expressed his hope for an end to the conflict.

"Iraq's war with the so-called 'Multinational Force' led by the United States is an attack against world peace," Ananias said in a document distributed to the press yesterday.

The document says that the consequences of the conflict cannot be predicted and adds that an anguished and alarmed world is calling for an immediate end to the war.

Asked which of the two sectors was responsible for the war, the socialist politician said that both sides were responsible and then went on with a short argument to support his position. Maidana says in the document that the two governments made no effort to consider world public opinion and avoid a conflict. "The proposals made up until the very last minute by Yemen, the Soviet Union, the pope, and France that were rejected by the United States, could have been the basis for continued negotiations to prevent a war" Maidana says. The PCP general secretary concludes: "Husayn's stubbornness and U.S. leadership's oil expansionist policies have prevailed."

Brazil Plans To Limit Sales to Paraguayans

PY1901172691 Asuncion ABC COLOR in Spanish 19 Jan 91 p 3

[Hector Guerin report]

[Excerpt] Ciudad del Este—The Brazilian Government has forbidden the sale of fuel to buses bearing Paraguayan licence plates. It will also forbid the sale of fuel to small vehicles and the sale of basic foodstuffs if the conflict in the Persian Gulf lasts longer than expected. The Brazilian authorities also banned the sale of plastic drums [bidones] of petroleum by-products.

During a meeting held on the afternoon of 17 January at the Federal Police precinct in Foz de Iguazu, Brazil, instructions were given to forbid the sale of petroleum by-products and food to Paraguayans. The measure has not yet been implemented. [passage omitted]

Drug Official Meets UK, U.S. Counterparts

PY2101181291 Asuncion NOTICIAS in Spanish 20 Jan 91 p 29

[Text] Brigadier General Marcial Samaniego Ocariz, director of Military industries—which is under the Defense Ministry—and coordinator of the National Antidrug Council [Consejo Nacional Antidroga] (Conad), yesterday said: We have agreed on the feasibility of implementing a new, coordinated joint campaign to reduce the demand for illegal drugs and, if possible, to destroy drug traffickers' business.

Samaniego, who serves as Conad coordinator representing the Armed Forces, made these remarks to describe the talks he held with Tom Matthews and Robert Schotvelol, members of a specialized antidrug organization of Great Britain and Ireland, who visited Asuncion.

Matthews and Schotvelol also held "talks" on the same topics with other Paraguayan organizations. They discussed the possibility of reaching a new agreement on technical assistance and financing in the next few weeks.

It has been reported that today Matthews and Schotvelol will continue their tour of other Latin American capitals. It should be noted that last year Great Britain and the UN organized a conference attended by more than 100 countries, including Paraguay. The conference resulted in an agreement to reduce the demand for illegal drugs and to eliminate the drug business. The conference also demanded that a two-pronged strategy be outlined to address both the problem of cocaine users as well as that of the drug barons.

Samaniego also reported that he just visited the United States. He noted that of course he had the chance to hold "positive talks" with Drug Enforcement Agency officials responsible for the Southern Cone, especially on the range and prospects of the U.S. cooperation witb Paraguay on drug control.

In this respect, Samaniego said it is expected that the latest government-to-government agreement will be implemented in the next few days. He said U.S. cooperation will amount to $300,000, which will be earmarked for improving the operational capability of the Paraguayan antinarcotics forces (both military and police) through new equipment, training, and other resources.

Hungarian Official Views Bilateral Trade Ties

PY2001193491 Asuncion ABC COLOR in Spanish 14 Jan 91 p 14

[Text] In an interview, Mikros Banjai, Hungarian trade attache accredited to Buenos Aires, stated that his country needs many products, both raw materials and manufactured products, and that his government wants to begin a sustained relationship with Paraguay.

In this respect, Foreign Minister Alexis Frutos Vaesken will begin a European trip on 17 January and it is probable that he will make stopovers in some of the Eastern bloc countries, one of which is Hungary.

Banjai explained: "I was named to make the first trade contacts with Paraguay. In this respect, I met with various sectors, both public and private. I visited Industry Under Secretary Ubaldo Scavone, the Paraguayan Industrial Union (UIP), the Paraguayan Lumber Center [Centro de Madereros del Paraguay], and the Production, Industry, and Commerce Federation (Feprinco). I also paid a courtesy visit to Foreign Ministry Under Secretary Hugo Saguier Caballero."

In an optimistic tone, Banjai added that possibilities are very positive because Hungary has steadfast intentions. He also stated that he hopes Paraguay will not encounter any difficulty in beginning a sustained trade exchange.

Asked about products that will probably be exchanged, he said: "Within our imports there are important products such as certain types of laminated wood, parquet, soybean pellets, cotton, and many others that I do not recall at this time. There is also a possibility for Paraguay to export some manufactured soybean and cotton by-products. [no closing quotation mark as received]

He added that his country can export pharmaceutical and agrochemical products, various types of light bulbs, and educational and hospital equipment to Paraguay, although this matter is still being evaluated.

"All of this will depend on the competitiveness of the products in regard to quality and prices," he said.

Asked about the possibility of diplomatic relations, he stated that at this time, the first contacts are being made so that Paraguay and Hungary can begin diplomatic relations and a sustained trade exchange in the not too distant future

Peru

Raul Sanchez Calls For More Gulf Peace Efforts

PY2301025291 Madrid EFE in Spanish 0207 GMT 23 Jan 91

[Text] Lima, 22 Jan (EFE)—Peruvian Foreign Minister Raul Sanchez said in Lima today that the Persian Gulf war will fundamentally affect the economies of the countries that are attempting to overcome underdevelopment.

Sanchez pointed out that the beginning of war operations in the Gulf should not restrict everyone's efforts to find a peaceful solution to the conflict. He added that the Peruvian Government and people maintain an "unfaltering hope" that the hostilities will soon cease.

During a ceremony at the Foreign Ministry in which he received the greetings of diplomats accredited to Peru, Minister Sanchez said that all possible efforts to end the war must be doubled. The ceremony and Sanchez' comments were reported by the Peruvian press agency, ANDINA.

The Peruvian foreign minister also called on Iraq to withdraw its forces from Kuwait, which that country invaded on 2 August, and to respect international law and the UN Security Council resolutions.

Sanchez said that the consequences of the war in the Middle East will largely affect the economies of countries like Peru, which is trying to overcome the barriers of underdevelopment. He reported that intensive contacts with the other ten members of the Rio Group are being made to study the necessary measures "that the urgent and serious situation requires."

It was reported from Caracas today that on the initiative of Venezuela, which is the pro tempore secretary, a call was made for a special meeting of Rio Group foreign ministers to study the economic impact of the Persian Gulf conflict on this area. The Rio Group's permanent mechanism of political consultation and agreement is made up of Argentina, Brazil, Bolivia, Colombia, Chile, Ecuador, Mexico, Paraguay, Peru, Uruguay, and Venezuela.

Congressman Proposes Continental Meeting on War

PY2201005291 Lima RTP Television Network in Spanish 1800 GMT 21 Jan 91

[Carlos Becerra interview with Armando Villanueava del Campo, American Popular Revolutionary Alliance "leader," from Congress in Lima—live]

[Excerpts] [Becerra] The attention of the entire Latin American continent is currently focused on the war in the Middle East. Armando Villanueva del Campo, a well-known APRA [American Popular Revolutionary Alliance] leader, today made a proposal precisely related to this problem. Senator, could you tell us about your proposal on this conflict?

[Villanueva] I suggested that the Peruvian Government take the initiative in summoning a Latin American and Caribbean conference in which our countries and their respective governments would adopt a coherent, united attitude on the conflict because the Persian Gulf conflict is going to affect each and every one of us, one way or another, with the same intensity. As a result, I think it would be a positive step if we all face the problem affecting us in a united manner. This is the first thing.

In the second place, Latin America and the new governments and people of the Caribbean region are part of a continent that truly cherishes peace and is experiencing a curious phenomena; that is, those who should invest in our countries—where peace prevails—invest in areas where there is war. Therefore, we must reach an economic agreement that promotes development with the aim of developing a new relationship with the developed countries that will be guaranteed by the peace we enjoy.

In the third place, I repeat, if we are united, we will have more influence in making new peace proposals that have probably not yet been raised. I have not lost hope that peace may be recovered and for this, I believe it is necessary that the powers set good examples. We all agree—at least, I and my party agree—that Iraq should withdraw from Kuwait. We think it is good that the United States demands this. However, for it to be even better, the United States must withdraw its troops from Panama; it should leave its military base in Guantanamo, Cuba, in the hands of its owners, the Cubans; and it should lift its economic blockade of Cuba. The United Kingdom, whose aircraft are bombing Baghdad, should understand that the Malvinas belong to Argentina, and a dialogue should be established with the purpose of restoring the rights to which I have just referred. [passage omitted]

I believe the Peruvian Government, taking our country's historic background into account, could summon a conference such as the one I have suggested so we may reach an agreement and thus contribute to modern history and to peace, as well as ridding ourselves of the last links of the chains that still oppress us.

[Becerra] Before ending, have you made any contact at the political party level yet?

[Villanueva] Yes, I have just informed the Permanent Conference of Latin American Political Parties about my proposal and suggested that a mobilization of this nature is possible at the level of political parties and popular movements. [passage omitted]

[Becerra] Such as going out to the streets, as in the case of other countries?

[Villanueva] It could be, it could be. Going out to the streets is an idea; the problem is that some will be in favor of one party and others in favor of another party, and in the end, the demonstrations would become somewhat romantic [as heard]. If the Latin American republics were to adopt a united, consistent attitude and make a proposal to the world based on our stance, I believe we would thus contribute to world history, which, at this moment, is hard to do individually. [passage omitted]

Highlights of Fujimori Letter to Bush Disclosed

PY2201125891 Lima RPT Television Network in Spanish 1800 GMT 21 Jan 91

[Text] We would like to disclose the content of the message that President Alberto Fujimori gave to U.S. Ambassador Anthony Quainton this morning. We just received a copy of the Fujimori letter from the Press Secretariat of the Presidency of the Republic.

This lengthy letter contains the strategies proposed by the president of the Republic to arrive at a comprehensive solution to this problem [not further specified] which involves varied aspects such as: structural adjustment, alternative development, prevention and struggle against corruption, preservation of the environment.

Other specific measures refer to the creation of instruments to involve the citizenry and the adoption of decisions; compensation for peasant coca growers who will agree to replace their coca plantations; recognition of the peasants' organizations as their legal interlocutors as well as recognition of peasants' property rights; massive registration and issuance of the respective land titles; replacement of coca plantations by way of agreements; simplification of procedures for setting up enterprises and making credit available; elimination of red tape regarding exportation of products or alternative products; facilities for everyone willing to make technical contributions and carry out projects related to alternative developments with peasants and their organizations.

These are some of the proposals President Fujimori made to his U.S. counterpart in a letter addressed to Bush through Ambassador Anthony Quainton.

'Subversives' Ambush Patrol; 11 Policemen Killed

PY2301012291 Lima RTP Television Network in Spanish 1800 GMT 22 Jan 91

[Feverino Castillo report from Ayacucho over the telephone]

[Excerpts] Eleven Technical Police members were killed in a subversive attack on Libertadores Road. The attack occurred early this morning when a police detachment went to the (Chanchojocha) zone in response to a report that a car carrying several deputy prefects, who were returning to Huancavelica, was attacked. Eleven members of the Technical Police were killed on their way to help the four deputy prefects and two policemen riding in the car, which was attacked by an unknown number of subversives.

According to information obtained by our reporters at the site of the attack, the deputy prefects of Huancavelica, Angaraes, Churcampa, and Castrovirreyna and two policemen who were riding in a gray Toyota, license plate No. 019075, which belongs to the former Huencavelica Corporation, were attacked at about 0530 this morning. The subversives released the deputy prefects. One of the policemen, Hector Alarcon Avellaneda, and Victor Vargas, secretary for the Churcampa deputy prefect, were taken by the subversives. Their whereabouts is still unknown. The other policeman escaped and has already returned to Ayacucho.

As a result of this event, a police detachment was sent to help the two individuals held by the subversives. While the policemen were on the way to the site of the attack, their patrol car was attacked by subversives in a settlement between Ampuccasa and (Chanchojocha), which is only ten minutes away from Ayacucho. This attack

occurred about 0700. The police patrol was led by Captain Jesus Sotomayor Santos and Lieutenant Felipez Tellez.

While the patrol car was going through the Rancha settlement near the road to Socos and (Chanchojocha) a powerful bomb destroyed the vehicle, killing the 11 policemen in the patrol car. [passage omitted]

This event created consternation among the people in Ayacucho. As we reported a few days ago, in another incident, unidentified well-armed subversives entered Carhuaran settlement, Huanta Province, 100 km north of Ayacucho, killing 21 peasants, wounding 14 others, and setting fire to 37 houses. After the attack, the subversives looted the houses. Several wounded peasants are being treated in a hospital in Huanta.

Terrorists Kill 23 Peasants in Ayacucho 16 Jan

PY2201132091 Madrid EFE in Spanish 0136 GMT 22 Jan 91

[Text] Lima, 21 Jan (EFE)—The Peruvian news agency ANDINA reported in Lima today that at least 23 peasants died and five peasants were wounded during a terrorist attack with guns and explosives against a town located in the Andean foothills of Ayacucho Department.

The source said that the incursion of over 100 rebels on Jarhuahuran occurred on 16 January and was confirmed by the police today. The source added that the terrorists sacked and burned more than 50 houses.

The wounded said that the group, comprised mostly of young people, spent four hours in Jarhuahuran, 130 km north of Ayacucho, the department's capital, located 575 km southeast of Lima.

The news agency said that two of the victims died of bullet wounds and that the rest, including old people, children, and sick people, were murdered with knives.

The report says that the attack was a reprisal against the peasants for joining the civilian militias known as "peasant defense patrols" to fight terrorists. These patrols caused many casualties among terrorists last September and October.

The source did not specify the affiliation of the attackers, but it is well known that Ayacucho is the territory of the Maoist Shining Path, an organization that launched the armed struggle in the department in 1980.

According to a congressional commission studying the causes of violence in Peru, political violence has caused nearly 21,000 deaths since the emergence of the Shining Path.

Police Find Bodies of Three Kidnapped Students

PY1801123091 Madrid EFE in Spanish 2007 GMT 16 Jan 91

[Text] Huancayo, Peru, 16 Jan (EFE)—A spokesman of the Huancayo Province National Police has reported that the Huancayo Security Forces today found the bodies of three university students who were kidnapped three days ago by unidentified individuals.

The source added that the bodies, which were found at Cajas Chicas District on the outskirts of town, had clear signs of torture and bullet holes in the head. Their hands were tied behind their back. The bodies therefore showed signs the Shining Path members' characteristic way of killing their victims.

Relatives of the victims reported that on 12 January, a group of people wearing military uniforms and with hooded faces dragged the young students from their homes after having threatened to kill their relatives.

The relatives added that the individuals warned them against reporting the event to the police because they would release the students the following day, after "talking" to them.

For the last three years, a large number of attacks and murders have been perpetrated in Huancayo, the most important province in the central Andean region. According to the police, the Shining Path and the Tupac Amaru Revolutionary Movement (MRTA) are responsible for the numerous attacks in the province.

Political violence in Peru, which started with the Shining Path in 1980, has caused at least 21,000 deaths. Resulting losses total $19 billion, which equals 90 percent of the Peruvian foreign debt.

* Peasant Defense Patrols 'Federation' Organized

91P40104W

[Editorial Report] Lima EL COMERCIO in Spanish of 18 December on page A-16 reports the formation of a "Central Region Peasant Patrol Federation" during a 17 December meeting held in Concepcion, north of Huancayo (Junin Department). The federation will unite "over 200 peasant patrols in Junin and Pasco Departments" committed to defending their local communities from terrorist attack. Also present at the meeting was Army General Manuel Delgado Rojas, "Mantaro Front" political-military commander, provincial authorities from Huancayo and Concepcion, and the delegate from the "Andres Avelino Caceres Region." The peasant patrol delegates present at the meeting elected a president for their newly-organized federation from among their ranks. The consensus among patrol delegates and other participants was to "demand logistics and military support" to defend themselves from the terrorists. They also vowed to continue farming in the area [the region is a vital agricultural center]. General Delgado announced that measures to provide weapons to the patrols "are

underway" and that a proposal to "legally guarantee peasant patrol action will be introduced."

Lima EL COMERCIO in Spanish of 27 December on page A-15 reports that agricultural production in Satipo and Chanchamayo Provinces (Junin Department) and Oxapampa Province (Pasco Department) has dropped by 90 percent due to the "subversive problem," according to Humberto Orozco, who was recently elected president by the 2,000 delegates of the Central Region Peasant Patrol Federation. He stated that despite terrorist attacks, which have resulted in the loss of a "large part of our capital" and have left farmers with "nearly unproductive lands," "we will continue defending ourselves with the patrols we have formed." He demanded "credits and financial support from the Agrarian Bank and the central government," in addition to "logistics support and military training." The support is needed, according to Orozco, because organizing the self-defense patrols has cut into the peasants' farming time.

Lima EL COMERCIO in Spanish of 21 December on page B-23 reports that 107 districts in Junin Department's eight provinces are "without mayors or governors" due to resignations and assassinations caused by terrorists. According to the report, the regional prefect can appoint governors, but mayors must be locally elected. Reportedly, few candidates have accepted either position for "fear of terrorist reprisal." The report listed the following provinces as lacking governors, and included a tally of the vacant positions: Huancayo (36); Jauja (33); Concepcion (14); Yauli-La Oroya (9); Tarma (8); Satipo (7); Chanchamayo (7); and Junin (3).

IMF Mission Approves Government Economic Plan

PY2201172091 Madrid EFE in Spanish 0020 GMT 22 Jan 91

[Text] Lima, 21 Jan (EFE)—The economic program drawn up by the government has been approved in principle by the IMF's overseeing mission, subject to final approval by the IMF directorate in Washington, the specialized Lima press reported today.

After a 10-day stay, the IMF mission left Lima this past Sunday [20 January] and returned to Washington where it will report to IMF Director-Manager Michael Camdessus, who will receive Juan Carlos Hurtado, Council of Ministers president and peruvian economy minister, next Wednesday [30 January].

Today and tomorrow Hurtado will meet the finance ministers of the Group of Seven countries in New York, to sound them out on forming a support group to grant Peru credits so it can make current overdue debt payments to the World Bank (IBRD) and the Inter-American Development Bank (IDB).

The Peruvian Central Reserve Bank (BCR) indicated that the IMF mission in Lima already approved one requirement for the Peruvian economic program's approval. This requirement calls for progress to have been made in the formation of a support group (in which, among others, expected participants are Canada, the United States, Spain, France, Italy, Japan, Great Britain, and the Federal Republic of Germany [as received]).

Peru needs at least $2 billion in credits: $800 million to finance the 1991 economic program and $1.2 billion to make current overdue payments to multilateral institutions, such as the IBRD, the IDB, and the IMF itself.

The Peruvian foreign debt amounts to $22 billion, of which 64 percent is overdue, Minister Hurtado said on his way to New York last Saturday.

EL COMERCIO reports today that the IMF mission and Peruvian Government representatives have completed their discussion on fiscal figures and the Peruvian economic program, but "the challenge to carry it out is up to the international organization and the Peruvian Government." The paper adds that "now, the most difficult part lies ahead; that is, making the program work in a world where credit has surprisingly dried up, a world that is shaken by the Persian Gulf crisis and where Peru lost credibility during five years of isolation from the international financial community."

The economics magazine GESTION said that the outbreak of the Persian Gulf war, as expected, "has pushed the reinsertion of Peru into the international financial system to a secondary front."

Energy Minister Off to Caracas OLADE Meeting

PY2201122891 Madrid EFE in Spanish 2103 GMT 20 Jan 91

[Text] Lima, 20 Jan (EFE)—Fernando Sanchez Albavera, Peruvian energy and mines minister, went to Caracas today to participate in the Latin American Energy Organization (OLADE) meetings on 21 and 22 January.

Sanchez Albavera said before departing from the Lima airport that OLADE delegates will discuss cooperation for regional energy integration.

Regarding the effects of the Persian Gulf war on Peru the minister said that the international oil market was favorable and that the country's oil supply was assured.

Venezuela

Government Voices Concern Over Oil Price Drop

PA2201022391 Caracas Venezolana de Television Canal 8 in Spanish 0001 GMT 22 Jan 91

[Text] The drop in oil prices worries the executive branch, but it is sure that Venezuela will be able to withstand this. This belief was put forward today by AD [Democratic Action] Secretary General Humberto Celli.

The oil situation in the world and the direct repercussions in our country were some of the issues discussed by the president of the Republic and some members of AD's operations committee. They agreed that the drop in oil prices is temporary and that OPEC is still legitimate. They did say, however, that they do not understand the actions of capitalism.

[Begin Celli recording] This was a surprise, because capitalism has once again acted in a very selfish way, thinking only about its own possibilities and resources, despite the generosity of OPEC members. In Venezuela's specific case, it was asked to cooperate and prevent an uncontrolled increase in oil prices, and we are now faced with a drop in prices. This does not really correspond with the situation that should prevail in the world's oil market. [end recording]

Figueredo Announces Planned Group of Rio Meeting

PA2201030191 Caracas Venezolana de Television Canal 8 in Spanish 0000 GMT 22 Jan 91

[Text] Caracas will host the Group of Rio's ministerial meeting to analyze the effects of the Persian Gulf on our continent and the preventive measures that must be undertaken in the economic sector.

Foreign Minister Reinaldo Figueredo Planchart arrived at Miraflores Palace today, but he stayed only a few minutes. He told President Carlos Andres Perez about the Group of Rio's call for a meeting, which could possibly be held next week.

Figueredo Planchart also reviewed other issues concerning the Middle East conflict.

[Begin Figueredo recording] The president's main concern—aside from the anguish, the implications of a conflict, and the suffering being withstood by the people in that zone—are the economic issues and their possible repercussions in Latin America, particularly in the oil market. I want to say very seriously that we have reasserted, and the president continues to reiterate, that consultations should be held between consumer and producer countries—not only on technical issues, but to stabilize a market in crisis. [end recording]

Foreign Minister Reinaldo Figueredo said that it is necessary to implement consultation mechanisms and that is the topic being reviewed.